

The NATIONAL UNDERWRITER



High Heels for Mountain Climbing?

OF COURSE NOT. Mountain climbing isn't on the daily schedule of most of us so we go about it with care—secure proper equipment and use it correctly.

When it comes to everyday activities, however, most of us are completely casual. Any old shoes will do for work. The guards on machines at the plant? We are so used to going through the same operations day after day that we become a little lax. Traffic signals? It's the same old street. We've crossed it safely a thousand times.

So we go our accustomed ways, doing the things we've done for years and suddenly, *bingo!* the laws

of chance catch up with us. The old shoe isn't strong enough to withstand the piece of steel that strikes it. During the one operation when we lift the guard just before going home, we put a finger too close to the moving machinery. And we dash across the street once too often.

If we'd gone about these everyday duties in the same spirit that we went mountain climbing, these accidents probably wouldn't have happened. People are injured much more frequently at humdrum daily tasks than at strange activities. They prepare for the unusual but take the ordinary for granted.

THE TRAVELERS INSURANCE COMPANIES
HARTFORD, CONNECTICUT

Maintaining the oldest and largest organization of safety engineers whose service pays profits to buyers of casualty and fire insurance and to agents and brokers as well.

THURSDAY, AUGUST 3, 1944



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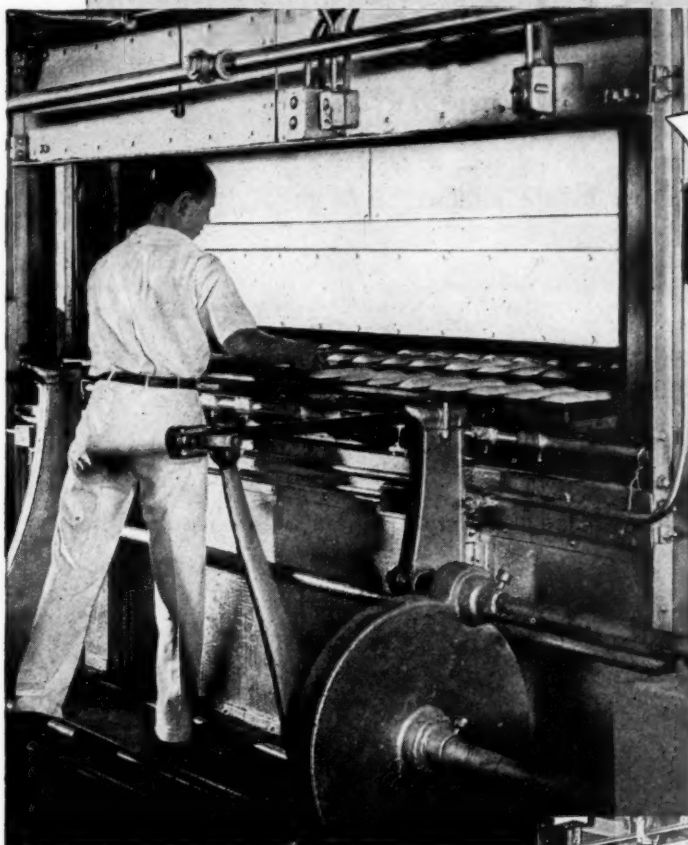


UNITED STATES BRANCH • 99 JOHN STREET, NEW YORK

T. L. HAFF, U. S. Manager

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BUILDING AMERICA!



Bakeries

In 1900 only 5% of the bread consumed in the U. S. was baked outside of the home. Today approximately 85% of it comes from America's modern bakeries.

The country's 30,000 bakeries employ over 250,000 people, and have an annual payroll of a quarter of a billion dollars—highest among all the food industries. In value of products used yearly (an estimated two billion dollars) American bakeries are second only to wholesale meat packing in the food industry field.

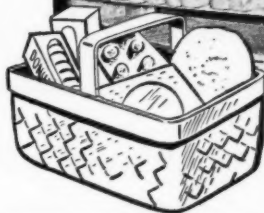
The expression, "Clean as a modern bakery," is a common figure of speech. Today the American baking industry represents the latest developments in machinery, production and distribution methods and sanitary handling.

PROTECTING AMERICA

Through the ages, bread has been the basic food of soldiers—and under the present vitamin and mineral enrichment program, "enriched" flour and bread are playing an important part, not only on the fighting front but also by providing an ideal means for getting required nutritive value into the diet of civilians at home.

Insurance Protection, too, is "enriched" by activities which not only minimize the danger of damage to property by fire or other hazards but also safeguard human life by encouraging the use of all precautionary measures and equipment known to modern safety engineering.

Inquiries are invited regarding the extensive underwriting and service facilities of the Royal-Liverpool Group.



Westinghouse

Bread, the ideal companion to all foods, offers a war-time means of extending ration points, adding extra nutrition and cutting food costs.

ROYAL-LIVERPOOL GROUP

ONE HUNDRED FIFTY WILLIAM STREET, NEW YORK, N. Y.

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"PREFERRED" ...

AS DEFINED BY THE DICTIONARY:

"Set above or before in estimation or favor; regarded or honored before another; held in greater favor; liked better."

THE record of "PREFERRED" performance for 59 years has made this a living definition.

Since 1885 The Preferred Accident Insurance Company has defended its policyholders against loss. Through good times, wars and depressions — it has always lived up to its slogan of "PROMPT PAYING PREFERRED"

Prompt settlement of claims has made the "Preferred" the preferred company of an ever increasing number

of policyholders and has cemented the mutually profitable relationships between the Company, its Agents and Brokers — a large majority of whom have been "Preferred Producers" for a long period of years.

You, too, should place your business with "PROMPT PAYING PREFERRED"

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Turkey Coverage Is Real Problem to the Insurers

Farm Insurance Association Is Endeavoring to Work Out a Plan

The total value of turkeys in this country is placed at \$40,000,000. This is a big industry in some states and the great turkey ranches are having extreme difficulty in getting turkeys protected by insurance. Texas leads in the turkey business and Minnesota is next. Iowa, the Dakotas and other states have grown immensely in turkey raising.

The fact that thousands and thousands of fowl have been smothered in storms has kept standard companies aloof from covering the turkeys as there is a certain catastrophe hazard.

Protective Devices Not Satisfactory

Up to date there does not seem to have been any protective devices or plans that are practical. Turkeys are said to be "dumb birds." When a storm is approaching they refuse to go to shelters but fly up in trees and perch there until they are frozen or drop to the earth and are smothered in great numbers. Two or three years ago just before Thanksgiving there was a sudden storm in Minnesota that resulted in smothering hundreds of thousands of fowl. Companies that had insured them lost heavily. That was sufficient notice to insurance companies that they were confronted with a hazardous proposition.

Since then there has been much investigation and study of the situation, the federal government participating. However but few companies would grant agents the privilege of writing these large turkey ranches. Farmers get their insurance covering turkeys as well as other fowl under the regular farm policy. Farmers raised birds largely for their own consumption and hence they could take care of them in case of a storm.

Turkey Values Increased

Turkey values have arisen greatly since meat priorities went into effect. Turkey, chicken and fish became suddenly the big diet item on most tables. Large turkeys sold at \$6 apiece. In these ranches there may be three or four thousand or even more turkeys raised. The raisers have to buy feed and many of them secured loans from banks. Therefore the banks brought much pressure to get the turkeys insured. The ranchmen probably had at least \$2 for each turkey tied up, it being the cost of food.

Erect Storm Shelters

Among the devices for lessening the storm hazard are shelters that have been built at intervals accommodating a number of turkeys but not creating a congestion where they are likely to be smothered. So far it has been difficult to convince the turkeys that they should enter these shelters. They refuse to be driven. Farmers who have a few birds have no difficulty in getting them in a barn or other building but where there are large numbers much difficulty is encountered.

The Turkey Raisers Mutual of Minnesota is specializing on this business. It has given much attention to protecting

(CONTINUED ON PAGE 9)

Strange Bridge Loss at Chester, Ill., Raises Questions

The steel superstructure of the two-year old bridge spanning the Mississippi river from Chester, Ill., to a point near Claryville, Mo., was toppled into the river by a windstorm Sunday. Apparently this section of the bridge was not anchored. Neither the piers nor the approaches were damaged. It was a weird occurrence and bridge insurers will be intensely interested in the final report that is made. It is understood that rather recently evidence of corrosion at the base of the piers had been noted and there is some speculation to the effect that this may have caused the superstructure to have taken an uneasy seat on its foundations and more easily to have lost its balance so to speak when subjected to the heavy blow. The trestle offered considerable windage.

The bridge is insured by Automobile for \$1,080,000 and there is \$75,000 U.O. The trestle that now lies on its side in

Massman Construction Company of Kansas City.

From all accounts the bridge was the center of a most unusual atmospheric disturbance. A storm of cyclonic proportions had formed in the southern section of St. Louis county and Jefferson county and moved with increasing speed in the direction of Chester. About the same time another storm was moving northwestwardly from Illinois just south and east of this city. The twin storms met almost in the exact center of the river, and about the center of the bridge. The gigantic force of the wind twisted the steel girders and superstructure of the two middle spans and picked them right over the piers. The steel was carried by the force of the wind for a short distance and then dropped into the water.

Three towboats belonging to the Hough-Cowgur & Co., St. Louis, were



the river cost \$432,000. Charles L. Oetting, former mayor of Chester, is the agent.

An interesting question of salvage is presented. The bridge in the water does not entirely obstruct navigation. There is left a channel of about 150 feet. Were navigation entirely obstructed the government presumably would insist that the bridge be removed by the very quickest method which might be the use of explosives. If that were done the piers and approaches might be damaged and for that loss the insurer would not be liable.

Owned by City of Chester

The bridge is owned by the City of Chester. It is known as the Horse Island Chute Bridge and it was financed by a bond issue.

By ironic coincidence the August edition of the publication of the Illinois State Chamber of Commerce which was delivered Monday had as its cover illustration this very bridge and there was an article about the structure that was written by C. W. Scott, chairman of the public relations committee of the Chester chamber of commerce. Mr. Scott recited the story of how this bridge was erected by a town of 5,000. It was promoted by a group of energetic business men. He said that despite adverse conditions due to gasoline and tire rationing the bridge has done remarkably well and was able to pay the interest on its bonded indebtedness for 1943 during that year. It is understood that the tolls last year amounted to about \$40,000.

The bridge was constructed by the

damaged when they were swamped by water while moored in Chester.

STATEMENT BY MASSMAN

KANSAS CITY, MO.—Henry Massman, Jr., advises that there was nothing unusual or different in the Chester bridge construction. He termed the loss an act of God or freak of nature which could happen only once in a lifetime. Other truss bridges, he said, are liable to the same peril if subjected to the same test. The steel probably will be pulled out of the river and junked. It has practically no salvage value.

The bridge was designed by Sverdrup & Parcel, consulting engineers, St. Louis.

S. C. Commissioner Joins Marine Corps

Commissioner Eggleston of South Carolina left on July 26 for Quantico, Va., for officers training in the marine corps. He had served as commissioner since September, 1942, when he was named to succeed L. G. Benjamin, Jr., who resigned to enter the army.

Study New Fire Policy in R. I.

PROVIDENCE, R. I.—Rep. Powers of Cumberland, chairman of a committee to study fire insurance policies and rates, has called a meeting for Aug. 15. The committee is interested in passage by the assembly in January of legislation authorizing the New York form. Powers says provisions of the present Rhode Island policy were adopted in 1863 and modified in 1881.

Commissioners Call Two Meetings for August

Graves Group at Chicago and Executive Committee at St. Louis

Superintendent Scheufler of Missouri has called a meeting of the executive committee of the National Association of Insurance Commissioners, of which he is chairman, at the Hotel Statler, St. Louis, Aug. 28-29, "to consider further the all-important questions relating to federal legislation, state supervision, and the insurance industry."

Preliminary to that meeting Commissioner Graves of Arkansas has called a meeting of his special subcommittee on federal laws and legislation for the Drake Hotel, Chicago, commencing Aug. 16. The various insurance organizations have been invited to present at that time their views as to the position that the industry and the commissioners should take in the situation created by the Supreme Court decision holding that insurance is commerce. Mr. Graves' group is prepared for a prolonged session and it is expected that the meeting, which will be an open session, will continue for perhaps three days.

Members of the Graves subcommittee in addition to the chairman are Harrington of Massachusetts, Johnson of Minnesota, president of the association, Scheufler and McCormack of Tennessee, vice-president.

Stock Company Position

The stock fire and casualty companies, for which President E. L. Williams of the Insurance Executives Association and R. V. Goodwin, first vice-president of Fireman's Fund Indemnity and vice-president of the Association of Casualty & Surety Executives, spoke at a special meeting of the committee last week, will not be heard from further unless they submit additional material in advance or unless there is some other compelling reason.

The list of organizations invited to submit views and suggestions concerning federal laws include:

Insurance Executives Association, National Board, Association of Casualty & Surety Executives, American Mutual Alliance, National Association of Mutual Insurance Companies, National Bureau of Casualty & Surety Underwriters, Inland Marine Underwriters Association, National Automobile Underwriters Association, Federation of Mutual Fire Insurance Companies, Associated Factory Mutual Fire Insurance Companies.

Also, National Fraternal Congress, National Association of Insurance Agents, National Association of Insurance Brokers, National Association of Mutual Insurance Agents, National Association of Casualty & Surety Agents, National Association of Life Underwriters, Life Insurance Association, National Council on Compensation Insurance, Towner Rating Bureau.

In his invitation Mr. Graves asks "all interested organizations and groups" to "please review existing federal statutes affecting interstate commerce in the light of your particular method of doing business" and to submit in writing by Aug. 5, six copies of "any remedial suggestions which you may care to advance."

Such suggestions "will be of much" (CONTINUED ON PAGE 9)

Aero Promotes Bank Financing of Planes

NEW YORK—As part of its campaign to interest banks in financing aircraft sales, with local agents writing the insurance, Aero Insurance Underwriters has brought out a set of attractive folders containing practically all the essential data needed to permit any bank engaged in consumer goods financing to understand how bank facilities can be extended to aircraft purchases.

Local agents can play an important part in bringing together aircraft merchandisers and banks that would like to expand their installment financing activities, according to Manager G. L. Lloyd of Aero. Mr. Lloyd points out that national finance institutions almost monopolized the financing and insuring of automobiles but this should not happen with aircraft if banks or local finance companies and insurance agents are alert to the opportunities which exist for participating in this business.

Reasons for Local Financing

Aero's booklet, entitled "A Message to Bankers," gives the following reasons for believing that the proper place to finance an aircraft is locally instead of through national financing organizations: Saving in the cost of financing; a local and therefore more convenient financing plan; broad insurance protection provided by local agents; simplicity of this type of financing; a dignified credit plan which does not require the borrower to divulge personal and confidential information to anyone but his banker; the value of a good credit record as a valuable asset—the successful completion of an aircraft finance contract by the borrower establishes him in his community as a good credit risk; it is desirable that an aircraft dealer or distributor should be firmly established with a local banking connection so that in addition to having the bank's assistance in financing sales and inventory, facilities would also be available for short-term or emergency advances and discounts and at all times an experienced and informed opinion would be at hand for consultation and advice on collateral business problems.

The plan as described in Aero's booklet is preferably the purchase by the airplane's buyer of the all-risks hull policy which provides the widest coverage possible and has few exclusions and which for the protection it affords is not unreasonably costly. This cost runs from 10% or even less in the case of a preferred "chauffeur-pilot" operated private aircraft up to 15% and more in the case of a flying club risk.

Then there is a blanket master policy issued to the bank covering the bank's interest against the possibility that the purchaser will violate some policy condition or warranty in his insurance and forfeit the policy's benefits. This master policy also provides coverage against the risk of loss by conversion, confiscation or embezzlement by the purchaser. The rate for this policy is one-half of 1% on the amount to be financed for 12 months at the time the insurance is effected. The policy issued to the purchaser contains a loss payable clause in favor of the bank and also refers to the blanket master policy.

Since aircraft will probably be sold through distributors who are given franchises in established trade areas and then through dealers serving local communities it is presumed that local bankers will maintain the same relationship with aircraft dealers as with automobile dealers. Distributors and dealers will require financial accommodations in respect of new or used aircraft. It has been customary to make such loans on a chattel mortgage basis for 90% of the manufacturers invoice value, 90 day maturity, in the case of new aircraft and 70% of the cost to the distributor or of the market price, whichever is lower,

with a 30 day maturity, in the case of used aircraft. With both new and used aircraft the dealer has the right to demonstrate the machine.

Special reporting forms of policies have been designed to cover aircraft in the hands of distributors or dealers which are mortgaged to a bank, giving the same full insurance protection as that available for private owners. These policies are written on an annual basis with a minimum deposit premium and the insured reports monthly on each aircraft and the amount of flying time it has done. The premium is computed on a per diem basis for the ground risk and a per flying hour basis for the flight risk and is billed monthly, with a final adjustment at the end of the policy period. The monthly reports compiled by the insured are forwarded or shown to the bank for its inspection. From these reports the bank can verify that all the mortgaged aircraft are reported for insurance coverage and can determine whether they are being used in accordance with the demonstration flight agreements.

After inspection by the bank the report is mailed by the agent to Aero for premium computation and billing. A blanket policy is issued to the same bank in the same manner and furnishing the same protection as in the case of aircraft sold to individual owners.

A second folder contains sample policies and other forms, some of them specially developed for bank financing of aircraft.

SWPC Insurance Program Definitely Ready to Go

WASHINGTON—Smaller War Plants Corporation officials say mutual companies' policies are eligible for insuring SWPC property in leased plants under the new program recently outlined by S. Abbott Smith, SWPC director, in a letter to Philip Baldwin, secretary, National Association of Mutual Insurance Agents, provided they are not assessable.

SWPC's program for insuring properties is now definitely settled and is as reported in last week's NATIONAL UNDERWRITER.

O. A. Graven Coast Manager of Dubuque F. & M. Group

O. A. Graven of Los Angeles, who has been southern California manager of Dubuque F. & M. and affiliated companies, has been appointed Pacific Coast manager. Clarence De Veue, veteran general agent of San Francisco, who has represented Dubuque more than 35 years in California, is retiring from the general agency field and will confine himself to the large brokerage clientele developed over the years.

Mr. Graven will have his headquarters in San Francisco.

Norman T. Horsburgh has been placed in direct charge of the Los Angeles office with the title of state agent. Mr. Horsburgh is assisted at Los Angeles by Paul A. Schmitt, special agent.

F. A. Profumo, who was previously with Clarence DeVeue & Co. as city and office manager, has joined the staff of the San Francisco office as chief underwriter.

Mr. Graven has been with National Reserve and Reserve Underwriters since 1935. Previously he was with the Pacific Coast Agency and before that with Corroon & Reynolds. Mr. Horsburgh was previously with the Los Angeles office of the Loyalty group. Mr. Schmitt previously traveled in Pennsylvania for Security Fire of Davenport. His father was at one time president of the National Ben Franklin.

Now Working on Details of D. C. Rating Bureau

WASHINGTON—William N. Payne, Jr., National Capital, as chairman has called a meeting for Aug. 11 of a drafting subcommittee of the companies' governing committee of 12 of the new District of Columbia Fire Rating Bureau.

Meanwhile subcommittee members individually are studying and conferring with others about the constitution and by-laws for the bureau. At the meeting they will compare notes and get to work on a joint draft. This is expected to be completed during the following few days for submittal to the committee of 12, a meeting of which has been called by Chairman John R. Cooney of Firemen's of Newark for the Statler hotel here Aug. 14.

The drafting subcommittee includes, besides Mr. Payne, A. W. Howard, vice-president Firemen's of the District of Columbia; Charles M. Boteler, vice-president Mutual Fire of D. C., who is connected with Mutual Insurance Agency here; A. R. Phillips, president of Great American, and Howard S. Jarvis, vice-president of Travelers.

Personnel of Committee of 12

The bureau must be set up by Oct. 1. The committee of 12 is expected to serve as a board of governors of the new rating bureau until 1945, according to insurance officials and industry representatives. Member companies and their representatives are: John R. Cooney, president Loyalty group; Robert T. Stewart, secretary North British group; Frank F. Dorsey, vice-president Fidelity & Guaranty Fire; Howard S. Jarvis, superintendent of agencies, Travelers Fire; John Glendening, vice-president, Home group; A. R. Phillips, president, Great American; William N. Payne, Jr., president National Capital; A. W. Tyrol, vice-president Hartford Fire; Albert W. Howard, vice-president Firemen's of Washington and Georgetown; R. J. Chalmers, assistant secretary Pennsylvania Lumbermen's Mutual Fire; Charles M. Boteler, vice-president Mutual Fire of D. C. and J. Victor Herd, vice-president Continental.

Officials estimated that probably two-thirds of the 255 companies licensed to do fire business here in 1943 were represented among the 60 to 75 persons attending the organization meeting.

In his opening remarks, Superintendent, Jordan said it was doubtful that a voluntary rating bureau could have continued to function here under the Supreme Court decision. Obviously the business of insurance in the District of Columbia cannot be satisfactorily conducted without a rating bureau, he said.

"You have here a rare and fortunate opportunity to demonstrate to the public generally, and to those who occupy prominent positions in public life, that a rating bureau, functioning under local jurisdiction and designed to meet local conditions, can serve the public interest well and can operate harmoniously and efficiently," he declared. "Obviously such a demonstration on your part would serve to strengthen the arguments of your friends and to weaken the arguments of your severest critics."

Self-Insurer's "Comp" Claims Are Not "Casualty" Losses

WASHINGTON—Workmen's compensation payments made by a self-insurer are recurring expenses and clearly are of the nature of ordinary and necessary expenses, the U. S. tax court has held in W. H. Loomis Talc Corporation vs. Commissioner.

The Talc Corporation of Gouverneur, N. Y., contended that the amounts paid under workmen's compensation awards

Rye Retires as Mutual Group Head

Had Notable Career in Stock Company Field as Well

NEW YORK—Fred A. Rye, general manager of the Improved Risk Mutuals since 1932, has resigned. However, he has accepted the organization's offer of a retainer to continue in a consulting capacity for a period of years. Howard S. Russell, who joined the Improved Risk Mutuals about a year ago after 20 years with the Factory Mutuals, will become general manager.

Mr. Rye entered the business in 1896, with the western department of the Great American. Subsequently he became an inspector for the governing committee of the old Western Union. He was connected with Western Factory 1905-1912 and then became manager of the Western Sprinkled Risk Association.

Mr. Rye returned to company service for a number of years with Public Fire before joining Improved Risk Mutuals in 1932.

Many friends will miss seeing him as frequently as in the past but will realize he has earned a period of relaxation. However, Mr. Rye's temperament and active interest in insurance may well eventually alter his decision as to permanent retirement and if, at a later time, he should resume some form of activity in the insurance business it will not be surprising.

A son, Fred Rye, Jr., is with the Kemper organization in Chicago.

constituted "casualty" losses under Section 711 (b) (1) (E), internal revenue code. Had the contention of the Talc Corporation been upheld it would have meant that its net income during the base period against which excess profits tax is calculated would have been increased by the amount of the workmen's compensation payments and the tax difference for 1940 which was the year at issue amounted to \$1,981.

The tax court observed that if the Talc Company had carried workmen's compensation insurance the premiums paid would be deductible as ordinary and necessary expenses in carrying on a trade or business.

The Talc Company had a policy with London Lloyds covering individual claims in excess of \$5,000 and total claims for any one year in excess of \$100,000.

M. R. Skancke, 61, who had charge of Ocean Accident's automobile insurance production, died Aug. 1. He had been with the company 31 years. Before going with Ocean he was an auditor for Travelers and later became superintendent of the payroll audit division.

S. D. Commissioner Has Insurance Background

W. A. Mueller, who recently was appointed South Dakota insurance commissioner as successor to the late George K. Burt, entered the department in 1940 with Mr. Burt. He was named chief examiner of the department at that time. He served 16 years as a local agent for fire and life companies while he was cashier of the Farmers State Bank at Turton, S. D. Mr. Mueller



W. A. Mueller

has now assumed his new duties.

All Floaters Put on Same Basis in Loss Payments

N. Y. Decision Puts Aside Test of Which Is More Specific

NEW YORK—In a decision that establishes a landmark in the much disputed field of conflicting excess clauses, the New York court of appeals has reversed the appellate division and sustained the contention of Commercial Union that as a bailee's insurer it should at most prorate a loss with the bailee's customers insurers. The latter had contended that the bailee's insurance taken for the protection of its customers goods should bear the entire loss.

The decision is particularly important because in the past courts have, in similar cases, sought to determine which policy was the more specific and to make that policy liable. This decision removes the "specific" basis and puts all inland marine floater policies, whether taken out by a bailee or his customers, on the same footing as respects loss payments. However, Norman S. Rein, Mound & Cotton, attorneys for Commercial Union, pointed out that the principle enunciated by the court would not necessarily apply in conflict between excess clauses where one of the policies was not an inland marine floater.

Litigation Seven Years

The case has been in litigation for the last seven years. Commercial Union issued a policy to Brooklyn Yarn Dye Co., covering the property of customers entrusted to it. Its customers also had inland policies covering their property in transit and on the premises of bailees, which, of course, included Brooklyn Yarn Dye. There was water damage which gave rise to claims totaling about \$61,000. The customers' insurers paid their claims under loan receipts and then sought recovery from Commercial Union for the full amount. Both the customers' policies and the Commercial Union policy had excess clauses providing that their policies were to be regarded as excess if there were other insurance covering the same loss.

Commercial Union took the view that its excess clause was as valid as the others and that at the most its liability should be limited to a pro rata share of the loss on an appropriate basis of apportionment. The parties not being able to agree the insurers submitted the question to the appellate division on an agreed statement of facts.

The appellate division held that Commercial Union was responsible for the full amount on the ground that its policy was more specific than the policies of the customers and that therefore, the excess clauses of the customers' policies were to be honored and the Commercial Union's excess clause was to be disregarded.

On appeal to the state's highest tribunal, Commercial Union succeeded in winning a reversal of the appellate division decision.

Significance of Case

One reason why the case is so important is that in their search to determine which policy was the more "specific" the courts have frequently construed it as "specific policies" which are not regarded in the insurance business as being specific. The type of case decided by the court of appeals is one that comes up frequently and the decision should have the effect of eliminating the need for much litigation that now takes place between insurance companies.

Insurance men are greatly interested in Judge Conway's reference in the opinion to the nation-wide marine definition in establishing the fact both the bailee's and the customers policies were equally of a floater nature.

"In order to understand the situation presented it is necessary to recall some fundamentals," wrote Judge Conway. "Incidentally is a former New York insurance superintendent. 'We are concerned here with marine insurance. All insurance in this state, whether fire, marine or of any other form is that which the authoritative cases in this state and our legislature define it to be. Sometimes

(CONTINUED ON LAST PAGE)

More Than 5,000 Claims Expected in Ship Explosion

SAN FRANCISCO—Up to July 26 the emergency office of the Fire Companies Adjustment Bureau at Martinez, Cal., had received more than 3,000 claims for damages sustained from the Port Chicago naval ammunition depot explosion, and bureau officials anticipate probably another 2,000.

Reporting on a visit to the scene of the disaster, H. J. Boyle, general manager of the bureau in San Francisco, said that actual damage is considerably more than at first appeared. Hundreds of buildings have been found to be structurally damaged.

Conferences have been held by bureau officials with members of the special navy board of inquiry, which have resulted in a program of cooperation with the bureau offering all its facilities to assist the navy board in its effort to survey the extent of the damage and to determine whether or not the navy department is liable.

Many settlements are being made by the bureau daily, and the claimants are being assisted in making their claims by the use of a short form prepared for the occasion by the bureau. Local agents have assisted in the work of locating owners and under the method of filing claims the local agents are relieved of extra work and duties. The clients are contacted direct by the bureau.

Several conferences have been held with local agents groups in the afflicted territory, and public meetings have been held with chambers of commerce and other civic organizations. The attitude of the public is friendly and cooperative with the companies and the bureau, Mr. Boyle reported.

Buyers, Insurance Men Discuss New Texas Policy

DALLAS—"A local agents' association, like every other trade association, must give the public first consideration always; when the insurance buyers' viewpoint is lost, the association is on the way out," Alfonso Johnson, manager Dallas Insurance Agents Association, declared in welcoming members of the Texas board of insurance commissioners to the Insurance Buyers' Forum here. When he first read the Texas fire insurance policy contract 14 years ago, Mr. Johnson said he had no idea what it meant and he had to admit there was something to that old bromide—"the big type gives it to us and the small type takes it away." The new Texas standard fire policy, however, is really streamlined and understandable. "We want to give the widest coverage possible at the cheapest rate consistent with the maintaining of financially sound companies," Mr. Johnson declared.

The new Texas policy was discussed from various angles. Speakers were M. L. Canfield, Home; J. V. Addy, Travelers; A. F. Allen, president of Texas Employers and Employers Casualty; E. P. Goetzinger, Indiana Lumbermen's and C. C. Cannon, Liberty Mutual.

The insurance commissioners were honored at a luncheon at which Mr. Johnson presided. T. R. Mansfield, president of Gulf, and Ralph Soape, Policyholders Research Society, which promoted the forum, were the speakers.

Insurance Post Elects

LOS ANGELES—Insurance Post, No. 513 of the American Legion, elected these officers: Commander, Karl H. Beahm; first vice-commander, P. J. Gauthier; second vice-commander, J. R. Bruce; sergeant-at-arms, Preston Brown; finance officer, Raymond Staub; judge advocate, Russ Bradley. The post again will sponsor a horse show to be held early in September.

Woolley Succeeds Seibels as Cotton Group's Head

NEW YORK—Gordon B. Woolley has been appointed general manager of the Cotton Fire & Marine Underwriters succeeding Edwin G. Seibels, who is retiring, having been manager since the group's inception in July, 1919.

Mr. Woolley's entire business career has been with the Cotton Fire & Marine Underwriters, starting in 1920. He has been assistant manager for 15 years.

The Cotton Fire & Marine Underwriters operates the cotton departments of Aetna Fire, American of Newark, Continental, Fidelity-Phenix Fire, Glens Falls, North British & Mercantile, and Springfield F. & M. for the writing of domestic and export insurance on cotton.

Herd Gives WDC Status June 30

J. V. Herd, vice-president of America Fore, in an article prepared for the Encyclopedia Britannica sets forth the status of the War Damage Corporation's operations as of June 30.

As of June 30, 1944, premiums collected aggregated approximately \$244,000,000, and it is estimated that approximately \$116,000,000 of war damage insurance was in force Dec. 31, 1943. In excess of 8,500,000 policies or renewal certificates have been issued.

Effective Dec. 21, 1942, WDC made available insurance on money and securities. As of June 30, premiums from the money and securities program aggregated approximately \$975,000, and it was estimated that approximately \$3,000,000,000 of war damage insurance covering money and securities is in force under approximately 3,000 policies.

Status of Early Claims

WDC was authorized to compensate for loss or damage to property sustained during the period from Dec. 6, 1941, to July 1, 1942, without premium or other charge, subject to the limitations prescribed in the act. It has investigated and adjusted claims for loss sustained during this period as a result of enemy attack or action of the military, naval or air forces of the United States in resisting enemy attack in the Hawaiian Islands, Alaska, and certain other areas within the geographical purview of the act. Practically all of the Hawaiian eligible claims have been paid. The Alaskan claims are in process of adjustment and payment as are certain marine claims. As of June 30, 1944, \$311,341 has been paid to compensate for loss sustained during that period. Such claims are paid from the funds originally made available to War Damage Corporation

Hamilton to Johnson & Higgins

Johnson & Higgins has named C. H. Hamilton, formerly assistant manager of the New York office of Arkwright Mutual Fire and Boston Manufacturers Mutual Fire, to the engineering department.

Cohen Speaks to Credit Men

David Q. Cohen, acting manager fidelity and surety department Association of Casualty & Surety Executives, discussed the Supreme Court decision and pending legislation at a meeting of the insurance committee of the New York Credit Men's Association.

Ralph A. Freese, head of Freese & Jefferson, largest local agency in Bloomington, Ill., died there of a ruptured appendix. The agency was established in 1910. B. P. Jefferson is the other member of the firm.

Tells Why Bailey Bill Should Be Passed Unamended

Action Before Election Day Vital. Williams Informs N.A.I.C. Group

NEW YORK—Despite assurances from congressional leaders that the Senate will pass the Bailey bill by nearly a two-thirds majority it is of the utmost importance that the measure be voted on in advance of the November election and hence it would be desirable for all interests to concentrate on supporting the bill as it stands rather than attempting to change it, according to E. L. Williams, president of the Insurance Executives Association, who spoke for the stock fire companies' committee, at the hearing before the federal legislation committee of the National Association of Insurance Commissioners.

Asked about the possibility of amending the bill so as to exclude the federal trade commission from authority over insurance, Mr. Williams said he believed that passage of the Bailey-Walter legislation would discourage any attempts by the federal trade commission but that if there were to be any changes in the bill there would be less danger of delay if they were made on the floor of the Senate rather than while the bill is still under consideration by the Senate judiciary committee, since anything which tends to prolong the hearings before that committee invites dangerous delay.

Goodwin States Casualty Position

R. V. Goodwin, first vice-president of Fireman's Fund Indemnity, spoke for the Association of Casualty & Surety Executives, of which he is vice-president. He is chairman of the subcommittee of the association's special committee on the Supreme Court decision. The association is in complete accord with the fire companies committee on the necessity of getting the Bailey-Walter legislation enacted as promptly as possible as a minimum basis and not endangering it by trying to get it changed before it comes up on the floor of the Senate for debate.

Commissioner Graves of Arkansas, chairman of the commissioners committee on federal legislation was unable to be present. Commissioner Harrington of Massachusetts, immediate past president of the N.A.I.C., who has been made vice-president of the Graves committee, presided. Others of the committee who were on hand included N.A.I.C. President Newell Johnson of Minnesota and Vice-president McCormack of Tennessee, both of whom have now been made regular members of the committee, and Superintendent Dineen of New York. Superintendent Scheufler of Missouri was unable to be present.

Bill Called Sole Chance

Mr. Williams said that there has been some talk to the effect that the fire companies were adamant for the Bailey-Walter legislation but said that it was his honest belief that it is the only measure that has any chance of getting anywhere quickly enough to prevent disintegration in the fire and casualty business. He said that there will certainly be need for much federal and state legislation to take care of the many situations arising out of the Supreme Court decision but that the immediate need is for a measure that will

(CONTINUED ON PAGE 23)

NEWS OF FIELD MEN

Sullivan Predicts No Federal Supervision

SEATTLE—Commissioner Sullivan of Washington sounded an optimistic note on the future of fire insurance before the semi-annual banquet here of the Special Agents Association of the Pacific Northwest.

After talking to Attorney-general Biddle in Washington, Commissioner Sullivan said he is convinced that neither Mr. Biddle nor the Department of Justice have any desire to put the federal government into supervision of insurance.

The Washington commissioner predicted that when Congress convenes in the fall the Bailey-Walter bill, already passed by the House before the summer recess, would be rewritten and finally enacted.

The Washington field men were hosts to the Oregon special agents at their mid-summer gathering. A golf tournament won by the Seattle field men was followed by a business session. H. C. Rowles, North British, president of the western Washington division, presided.

Terry Hill, North America, vice-

president western Washington division, reported on activities, referring to the new farm form and the adoption of the 1943 New York standard fire policy.

J. D. Hurley, Edward Brown & Sons, president Oregon division, presided during part of the meeting, during which Keith Rhodes, state agent Home, Portland, reviewed current Oregon conditions.

W. H. Maloy, Great American, was toastmaster at the banquet. Art Anderson, Everett branch manager Washington Title Insurance Co., and M. C. Johnson, Phoenix-Connecticut group, staged a skit.

Program for Ohio Meetings

CINCINNATI—For Ohio Blue Goose fall round-up at Summit Hills Country Club in Kentucky, Sept. 6, a program of golf, baseball, swimming and other entertainment has been prepared by the committee under the chairmanship of E. B. Hatch, Jr., America Fore.

The committee working under Chairman Hatch is composed of Ray Iekel, manager Underwriters Adjusting; O. F. Rieg, Home; E. L. Penney, Western Adjustment. R. W. Hukill, manager, Great American, has been drafted as an unofficial member of the committee.

The business meeting of the pond will

be the evening of Sept. 5 at the Gibson Hotel. Field club meetings will be held at the same hotel Wednesday morning, to be adjourned in time for luncheon at Summit Hills.

Special invitations have been extended to members of both the Indiana and Kentucky ponds to attend this fall round-up.

J. A. Mosher Joins Pacific National in Ia., Neb., Minn.

J. A. Mosher has resigned as manager of the Detroit office of Corroon & Reynolds to become connected with Pacific National Fire as special agent for Iowa, Nebraska and Minnesota. He had been with Corroon & Reynolds about 20 years, five of which were spent in the Iowa field. He was in the army about a year and on his release a year ago became Detroit manager. He will be located at Fonda, Ia., until he moves into Des Moines about Sept. 15.

Davis with Hartford in Miss.

J. C. Davis has been appointed special agent of Hartford Fire in Mississippi. He has been traveling in the Mississippi field and previously was in the local agency business. He will be located in the Standard Life building at Jackson.

Riggs with Crum & Forster

Walter F. Riggs, for 15 years with the Indiana Inspection Bureau, has resigned to become special agent and engineer of Crum & Forster in Indiana, under State Agent R. O. Richards.

Reed with Miller-Studebaker

A. C. Reed has been appointed special agent for the Miller-Studebaker general agency at Topeka, Kan. He will have his headquarters there. For some years Mr. Reed has been a field man and chief underwriter for Preferred Fire. For several years previously he was in the local agency business at Greensburg, Kan.

Chambers to Employers in N. C.

Fred D. Chambers has been appointed special agent of Employers Fire in North Carolina. He has had more than 20 years of experience as special agent of the Georgia and North Carolina rating bureaus. He will assist Special Agent E. P. Benbow in developing and servicing that territory.

Stynchcombe to Atlanta

The southern department of Fireman's Fund has transferred Loyle W. Stynchcombe, Alabama special agent, to southern headquarters in Atlanta. He will continue to supervise Alabama business along with other duties.

The new Illinois Blue Goose committees have been appointed by E. M. Eichenberger, Royal-Liverpool, most loyal gander. Chairman of the membership committee is Ward Beauchamp, Home; dues and initiation, J. Lewis Cassell, London; guards, Robert Dievendorf, Northern Assurance, and entertainment, Mr. Eichenberger.

W. W. Williams, president of Continental, Inc., Seattle local agency, has been named chairman of the Seattle-King County War & Community Chest campaign.

Larson on Executive Committee

Commissioner Larson of Florida has been selected as a member of the executive committee of the National Association of Insurance Commissioners to represent Zone 3. He is also zone manager. At the meeting in Chicago, Zone 3 was accorded the privilege of conducting a mail ballot to select its representative on the committee.

COMPANIES

America Fore Units Forge Ahead

Continental in the first six months recorded an increase in assets of 9.5% and in net surplus of 6.2% and Fidelity-Phoenix assets increased by 12% and net surplus by 10% according to the semi-annual statements.

Assets of Continental at June 30 were \$128,777,294, premium reserve \$26,233,330, capital \$5 million and net surplus \$84,799,188. Premiums written totaled \$15,261,115 and there was an increase in premium reserve of \$2,294,793. Premiums earned were \$12,966,321, losses \$6,698,827, expenses \$5,944,890, underwriting profit \$322,602.

Market Values Increase

There was an increase in market value of stocks and bonds of \$7,827,770.

Assets of Fidelity-Phoenix were \$104,685,675, premium reserve \$19,962,676, capital \$3,750,000, net surplus \$70,301,573.

Premiums written were \$11,925,273, increase of premium reserve \$2,012,870, premiums earned \$9,912,402, losses \$5,156,015, expenses \$4,478,753, underwriting profit \$277,634. There was an increase in market value of stocks and bonds of \$7,304,925.

30-Cent Republic Dividend

Republic of Dallas has declared a quarterly dividend of 30 cents per share, payable Aug. 25 to Republic stock of record Aug. 10.

Warns of Bowling Alley Hazards

NEWARK—Frank Finley, New Jersey state agent of Manhattan F. & M., has sent a letter to agents outlining the present fire hazards in bowling alleys due to the use of flammable lacquers and solvents in refinishing alleys, pins and other apparatus. He calls attention to appropriate safeguards.

The "Pictograph's" visual sales aids gets the A. & H. apps, \$3.00. The A. & H. Bulletins, 420 E. 4th St., Cincinnati 2, Ohio.

WANTED IMMEDIATELY

MEN'S ACCOUNTING — CLERICAL

ACCOUNTANT—COST\$7,500
ACCOUNTANT—ASST.
COMPTROLLER\$6,000
ACCOUNTANTS—GENERAL \$3,600
ACCOUNTANTS—JUNIOR .. 3,000
ACCOUNTANTS—AUDITING 3,600
GENERAL OFFICE CLERKS
TO\$2,700
JUNIOR EXECUTIVES\$3,600
TRAINEES—ACCOUNTING ..\$2,600
TRAINEES—PURCHASING .. 2,700
TRAINEES—PERSONNEL .. 2,400

O'SHEA EMPLOYMENT

64 E. JACKSON BLVD. Wab. 1884
CHICAGO, ILLINOIS

AVAILABLE

Highly experienced claims supervisor, fire and casualty lines. Employed but desire change. Address W-61, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

AVAILABLE

Man with general insurance experience in both local agency and company in Chicago. Capable of handling inside duties or contact work. References. Married. Draft exempt. In reply address W-63, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

DEPENDABLE AS Time

Throughout the years, the clock that adorns the tower of historic Independence Hall in Philadelphia has rendered faithful service both to the city's residents and to its thousands of visitors.

Rendering equally faithful service, the Phoenix-London Group is prepared at all

times to solve the most complex casualty, fire or inland marine insurance problem with coverages especially designed for complete protection.

Known for its long experience, sound underwriting policy and unquestioned financial strength, this Company offers exceptional opportunities to agents everywhere!

Phoenix-London

GROUP

55 FIFTH AVENUE · NEW YORK

PHOENIX ASSURANCE CO., Ltd.
IMPERIAL ASSURANCE COMPANY
COLUMBIA INSURANCE COMPANY
UNITED FIREMEN'S INSURANCE CO.
THE UNION MARINE & GENERAL INSURANCE CO., Ltd.
LONDON GUARANTEE & ACCIDENT CO., Ltd.
PHOENIX INDEMNITY COMPANY



CHICAGO

NO W. U. A. FALL MEETING

It is apparent that the Western Underwriters Association will not hold its semi-annual meeting in September. It omitted that meeting last year. If necessary a governing committee meeting will be held in September or October. The Western Insurance Bureau will undoubtedly follow the same course and not have a semi-annual meeting.

BIG CHICAGO LOSS

The Sherwin Williams coal tar processing plant at 111th street and Cottage Grove avenue, Chicago, was destroyed by fire Monday. Preliminary estimates indicate the insurance loss will run more than \$300,000.

Fire following a bolt of lightning caused approximately \$21,000 loss to the insurers when it damaged the Zion bowling alley at 2647 Sheridan Road, Zion, Ill. The alley was built in 1940 at a cost of \$70,000. There was \$35,000 insurance and the loss was estimated at 60%. There was no use and occupancy.

PLAN FOR PREVENTION WEEK

Approximately 100 fire department officials, editors, mayors and representatives of chambers of commerce from cities and towns in Cook county outside Chicago, and members of the fire prevention committee of the Chicago Association of Commerce and insurance people attended the luncheon in Chicago this week at which plans for observance of Fire Prevention Week Oct. 8, were outlined. A. L. Kirkpatrick, insurance editor Chicago "Journal of Commerce" and vice-chairman of the committee, presided.

Chicago won the National Fire Prevention Association contest for cities last year and Illinois the contest for states, and it was urged that all communities participate more extensively this year. R. E. Vernor, manager of fire prevention department of the Western Actuarial Bureau and president of N.F.P.A., discussed fire prevention ideas. State Fire Marshal Craig and Elmer F. Reske, assistant manager Cook County Inspection Bureau, spoke.

Mr. Kirkpatrick announced that three special awards have been set up by the fire prevention committee for communities in Cook county. In each of three firemen's districts into which the county is divided there will be an individual award for the best showing and a grand award for the best observance of the week in the three districts. The competition will be based on what communities do for the N.F.P.A. contest.

Among those at the head table were Walter M. Sheldon of W. A. Alexander & Co., president of the Chicago Board; Chief McAuliffe of the Chicago Fire Patrols, and Chief Mullaney of the Chicago fire department.

TO FORM INSURANCE DIVISION

A luncheon meeting will be held at the Union League Club in Chicago at 12:15 next Monday to form an insurance division of the Chicago Business Men's Committee, which is particularly interested in the congressional elections. Wade Fetzer, Jr., and Frank Durham of W. W. Durham & Co. are especially interested in this movement. Reservations for the luncheon may be made at

the office of the committee. Harrison 6515.

AGENTS ELECT FOUR DIRECTORS

The Chicago Insurance Agents Association in a mail ballot elected Eugene F. Engelhard of Engelhard & Co., and W. H. Stevens of Fred S. James & Co., as directors, and reelected L. W. Zonsius, Conkling, Price & Webb, and B. N. Anderson, Jr., of B. N. Anderson & Co.

LABOR LAW SERVICE

For the benefit and service of its patrons and others interested in obtain-

ing information on the war labor relations board, wages and salary stabilization, and other labor laws the Insurance Library of Chicago, maintained by the Cook County Inspection Bureau, has purchased the new five-volume loose leaf "Labor Law Service" published by Commerce Clearing House.

SURVIVING CHARTER MEMBERS

The new year book of the Chicago Board gives the present members who were members on Jan. 11, 1906. That is, they are the surviving charter members. They are Benjamin Auerbach,

Associated Agencies; George R. Bowman, Napier & Co.; Secor Cunningham; L. H. Dudley, Clodt-Gielow & Dudley; W. A. Goodman, Oxnam, Goodman & Co.; James I. Loeb, Associated Agencies; Leo A. Loeb, Loeb Insurance Agency; D. R. McLennan, Marsh & McLennan; R. A. Napier, Napier & Co.; J. M. Newburger, Newburger & Co.; C. S. Pellet, Critchell-Miller agency; W. F. Prindle, Lyman, Richie & Co.; W. W. Roddick, Roddick & Son; W. E. Spangenburg, Waidner, Zweig agency; E. C. Sweetland, George Herrmann & Co.; August Torpe, Jr., J. E. Waibel, E. R. Wetmore.



This Answers Questions About EXPLOSION INSURANCE

A NEW EXPLOSION INSURANCE CLAUSE states:

"This Company shall not be liable for loss by explosion originating within steam boilers, steam pipes, steam turbines, steam engines, fly wheels, located in the building(s) insured, or in building(s) containing the property insured."

DO YOU KNOW . . . why such liability is excluded? Whether the designation "steam boiler" means the fire box of a boiler or the flues that conduct the gases? Whether the term "steam engines" includes the wheels and gears on engine shafts, or other auxiliary apparatus on the frame of the engine? Whether damage from steam escaping from a blown-out radiator valve would be covered? Whether an explosion of a hot water heater would be covered?

These and other questions that arise from the New Explosion Insurance Clause . . . questions that agents and brokers want to be able to answer . . . are dealt with in a new booklet just released by Fire Association Group.

Write for your copy of "More Puzzling Questions . . . This Time About Explosion Insurance". You will find it decidedly helpful as a general statement of the attitude of our companies, although it cannot be offered as final authority for treatment of any explosion claim.

FIRE ASSOCIATION GROUP, 401 Walnut St., Philadelphia 6, Pa. Branches in Atlanta, Chicago, Dallas, New York, San Francisco, Toronto.

LISTEN TO LELAND STOWE'S NEWSCAST

— Sponsored by National Board of Fire Underwriters . . . every Saturday evening over 70 stations of the Blue Network. Consult newspapers for your local time, and tell your clients to listen to this famous commentator.

INSURANCE CALENDAR



On August 11, 1807, Robert Fulton revolutionized ideas about ship construction when he sent his *Clermont*—world's first practical steamboat—through the epoch-making New York to Albany trial run. Ideas about building have never been so suddenly

revolutionized. But over a long period, leading fire insurance companies have been working patiently to improve building standards and eliminate the worst fire hazards. Proof that this work is bearing fruit can be seen in today's rates—lowest in history!

1944—AUGUST hath 31 days

"Don't sell America short! Hold War Bonds to maturity!"

ASTRONOMICAL CALCULATIONS

EASTERN STANDARD TIME

AUG.	Latitude +30°	Latitude +35°
1	5:19 6:53	5:09 7:03
6	5:22 6:50	5:12 6:58
11	5:25 6:45	5:16 6:53
16	5:28 6:40	5:20 6:47
21	5:31 6:35	5:24 6:41
26	5:33 6:30	5:27 6:35
31	5:36 6:26	5:31 6:29

AUG.	Latitude +40°	Latitude +45°
1	4:58 7:14	4:45 7:27
6	5:02 7:08	4:51 7:20
11	5:07 7:02	4:57 7:13
16	5:12 6:56	5:03 7:05
21	5:17 6:49	5:08 6:57
26	5:21 6:41	5:14 6:49
31	5:26 6:34	5:20 6:40

AUG.	Latitude +30°	Latitude +40°
1	4:28 2:12	4:53 1:48
3	6:24 4:09	6:47 3:44
5	8:03 6:24	8:18 6:07
7	9:27 8:41	9:31 8:36
9	10:45 10:52	10:37 10:58
11	12:00 12:56	11:48 1:14
13	12:50 2:55	12:29 2:19
15	2:28 4:41	2:04 5:06
17	4:15 6:10	3:53 6:29
19	6:02 7:23	5:48 7:35
21	7:47 8:26	7:43 8:29
23	9:32 9:28	9:36 9:23
25	11:19 10:37	11:33 10:22
27	1:13 1:35	1:35 1:39
29	3:12 12:52	3:36 12:27
31	5:01 2:53	5:23 2:29

To obtain local times of sunrise and sunset: for longitudes other than the standard time meridians (i.e., 75°, 90°, 105°, and 120°), for Eastern, Central, Mountain, and Pacific Standard Time, decrease the time four minutes for each degree east of standard meridian, or increase the time four minutes for each degree west of the standard meridian.

- 1—Tu.—1833, Sailors' Snug Harbor, N.Y., dedicated.
- 2—W.—1923, death of President Harding.
- 3—Th.—1914, Germany declared war on France, Belgium.
- 4—Fr.—☾ Full Moon, 7:39 A.M., E. S. T. 1869, \$3,500,000 whiskey store fire, Phila.
- 5—Sa.—Fire Association Group companies adjust all claims, big or little, with equal promptness.
- 6—Su.—1930, disappearance of Judge Crater.
- 7—M.—1942, U.S. attack on Guadalcanal began.
- 8—Tu.—1588, Spanish Armada destroyed by the English.
- 9—W.—1642, Harvard's first commencement.
- 10—Th.—☾ Last Quarter, 9:52 P.M., E. S. T.
- 11—Fr.—☾ Property insurance rates are the lowest ever!
- 12—Sa.—1919, Senator Lodge condemned League Covenant.
- 13—Su.—1818, birth of Lucy Stone, noted reformer.
- 14—M.—1880, Cologne Cathedral completed, begun 1248
- 15—Tu.—1769, Napoleon Bonaparte born.
- 16—W.—1914, British Exp. Force landed in France.
- 17—Th.—1896, gold discovered in Klondike Valley.
- 18—Fr.—☾ New Moon, 3:25 P.M., E. S. T.
- 19—Sa.—☾ 1943, fire and explosion caused \$2,000,000 damage in Kearney, N. J., linoleum plant.
- 20—Su.—Have your agent explain how you can protect against explosion, windstorm and other perils.
- 21—M.—1858, Lincoln-Douglas debates began.
- 22—Tu.—1851, America won yachting regatta, Cowes, Eng.
- 23—W.—1927, execution of Sacco and Vanzetti.
- 24—Th.—1572, massacre of Huguenots, Paris, France.
- 25—Fr.—1850, Edgar Wilson (Bill) Nye, humorist, born.
- 26—Sa.—☾ First Quarter, 6:39 P.M., E. S. T.
- 27—Su.—☾ 1576, death of Titian, Venetian painter.
- 28—M.—1609, Henry Hudson entered Delaware Bay.
- 29—Tu.—1862, second Battle of Bull Run.
- 30—W.—1871, completion of Capitol, Carson City, Nev.
- 31—Th.—1943, Red Army within 50 miles of Smolensk.

OBSERVATION for August: Replacement costs are so much higher today than they were in prewar years that it is really dangerous to assume your property insurance is adequate until you have your policies reviewed by an expert...

MORAL for August: Call your Agent or Broker today. He is an expert!

PROPERTY INSURANCE
Fire—Automobile—Marine

FIRE ASSOCIATION GROUP

Fire Association of Philadelphia
The Reliance Insurance Company
PHILADELPHIA



Lumbermen's Insurance Company
Philadelphia National Insurance Company
PENNSYLVANIA

SYMBOL OF SECURITY SINCE 1917

FIRE SPECIAL AGENT

Here is an Armour graduate 33, with inspection bureau and special agency experience in Kansas & Illinois. Prefers Illinois field.

FERGASON PERSONNEL

Insurance Personnel Exclusively
166 W. Jackson Blvd. HAR. 9040

Montgomery Leaves Reciprocal Post

NEW YORK—W. J. Montgomery, vice-president since 1925 of the Ernest W. Brown reciprocal organization, and one of the best known reciprocal insurance executives, has resigned to become an insurance broker and adviser. His office is at 475 Fifth avenue, New York City. Mr. Montgomery, who has been with the Brown organization ever since he graduated from engineering school in 1920, has for some time wanted to go into business for himself.

Always actively interested in the discussions of the insurance section of the American Management Association, he was a member of the panel that answered questions on use and occupancy insurance at the May, 1941, conference. He has also addressed National Retail Drygoods Association on insurance, and represents the reciprocals on the industry committee of the War Damage Corporation.

Trained as Civil Engineer

Mr. Montgomery received his bachelor of science degree from Dartmouth in 1918 and his civil engineering degree from Thayer engineering school of Dartmouth in 1920. Going with the Brown organization he was draftsman, inspector and engineer. Later he became a field man and then was in the loss department. He went from there to the underwriting department and became vice-president in 1925. He has also been vice-president of the Arex Indemnity, the Brown reciprocals' subsidiary in the casualty field.

It is interesting that Mr. Montgomery is following somewhat in the footsteps of Warren F. Kimball, prominent New York broker. Mr. Montgomery succeeded Mr. Kimball at the Brown reciprocals when the latter entered the brokerage field a number of years ago.

STOCKS

By H. W. Cornelius, Bacon, Whipple & Co., 135 So. La Salle St., Chicago, July 31, 1944.

	Par	Div.	Bid	Asked
Aetna Cas.	10	5.00*	136	139
Aetna Fire	10	1.80*	50	52
Aetna Life	10	1.40*	34	36
Agricultural	25	3.25*	74	77
Amer. Alliance ..	10	1.05*	22 1/2	24
Amer. Cas.	10	.60	11 1/2	12 1/2
Amer. Equitable ..	5	1.00	16 1/2	18
Amer. Home	10	. . .	10 1/2	11 1/2
Amer. (N. J.) ..	2.50	.60	15	16
Amer. Surety	25	2.50	55	57
Balt. Amer.	2.50	.30*	6 1/4	7
Boston	100	21.00*	580	600
Camden Fire	5	1.00	20	21
Contl. Cas.	5	1.60*	40	41
Contl. N. Y.	2.50	2.00*	45 1/2	46 1/2
Fidelity-Phen.	2.50	2.20*	49	50
Fire Assn.	10	2.50*	61 1/2	63 1/2
Firemen's (N.J.) ..	5	.40	12	13
Fireman's Fund ..	10	3.00	87	89
Franklin Fire	5	1.00	25	26 1/2
Glens Falls	5	1.85*	43	45
Globe & Repub. ..	5	.50	8 1/2	9 1/2
Gt. Amer. Fire ..	5	1.20*	28 1/2	29 1/2
Hanover Fire	10	1.20	27 1/2	28 1/2
Hartford Fire	10	2.50*	95	97
Home (N. Y.)	5	1.20	27 1/2	28 1/2
Ins. Co. of N. A. ..	10	3.00*	85	87
Maryland Cas.	1	. . .	8 1/4	9 1/4
Mass. Bonding ..	12.50	3.50	66 1/2	68 1/2
Natl. Cas.	10	1.25*	26	27
Natl. Fire	10	2.00	58	61
Natl. Liberty	2	.30*	6 1/2	7
Natl. Un. Fire	20	5.00*	168	173
New Amst. Cas. ..	2	1.00	26	27
New Hamp.	10	1.80*	45	47
North River	2.50	1.00	23	25
Ohio Cas.	5	.80	22	24
Phoenix, Conn.	10	3.00*	81	83
Preferred Accl. ..	5	1.00*	14	15
Prov. Wash.	10	1.40*	33	35
St. Paul F. & M.	12.50	2.00*	70	73
Security, Conn.	10	1.40	35	36 1/2
Sprgfd. F. & M.	25	4.75*	117	120
Standard Accl.	10	2.50	58	60
Travelers	100	16.00	475	485
U. S. F. & G.	10	1.50*	37	38 1/2
U. S. Fire	4	2.00	47	49

*Includes extras.

Thomas to Speak on Coast

Inasmuch as Hunter Brown of Pensacola will be unable to represent the National Association of Insurance Agents executive committee at the Washington, Oregon and Idaho agents association meetings because of his wife's recent in-

"Supporting American Business" N.A.I.A. Tract

The National Association of Insurance Agents has released a pamphlet, "Supporting American Business," to rally to the aid of general business its 17,000 member agency firms.

This booklet contains reprints of the address "The Greatest Loss Prevention Program of All Time," by Wade Fetzner, Jr., of Chicago, chairman of the public relations committee, and that of President Fred A. Moreton of Salt Lake City, "A Time for Individual Action."

Mr. Moreton emphasizes that this is a call for individual action. The N.A.I.A. does not take a stand on an individual candidate, but it does suggest that the members as individuals measure candidates by the principles that are enunciated.

Agents are requested to pass the booklet along to business men.

For convenience of mailing, the pamphlet is of the size to fit the ordinary business envelope.

juries, his place will be taken by Vice-president W. Ray Thomas of Pittsburgh. The Washington meeting is Aug. 15 at Seattle; Oregon, Aug. 16-18 at Portland, and Idaho, Aug. 20-21 at Boise.

Removes Chrome, Manganese Ore

WASHINGTON—In line with its program of almost complete withdrawal from cargo war risk insurance, the War Shipping Administration has announced elimination after Aug. 26, of chrome ore and manganese ore shipped by water from ports in India and Ceylon from its open cargo policy.

Still remaining on WSA's war risk insurance open cargo policy list are imported coffee, raw or green; cocoa or cacao beans shipped by water from South American ports, and cresylic acid.

P. H. Kelsey Advanced

NEW YORK—Preston H. Kelsey, who has been assistant vice-president of Marsh & McLennan since 1942, has been elected vice-president. He has been with the New York office since 1929. Mr. Kelsey went with Sun on graduating from Dartmouth in 1925. In 1927 he became special agent of American in eastern New York. The Kelsey family is well known in insurance. Mr. Kelsey's father, Preston T. Kelsey, was United States manager of Sun prior to his retirement.

Prudence Life Case to Be Heard on Aug. 21

Prudence Life of Chicago has until Aug. 11 to answer a motion by W. C. Wines, assistant attorney general of Illinois before Circuit Judge Bolton. Wines' motion asks that an order by Superior Judge McKinley be vacated. Judge McKinley's order denied Wines' petition for an order to dissolve or rehabilitate the company. Wines is proceeding for N. P. Parkinson, acting Illinois insurance director.

Wines' petition for liquidation or rehabilitation of Prudence life charged that the bitter disagreement between the two factions in the company headed by Alfred Holzman and M. H. Wettaw makes further transactions hazardous to policyholders, creditors and the public.

Judge Bolton set Aug. 21 for hearing the case.

Dispute Flares in Court

During the appearance before Judge Bolton Tuesday, there appeared to be some dispute as to just who represented Wettaw as counsel. Wettaw was charged with attempting to wreck the company by counsel for Holzman. Wettaw also was charged by Wines with having "changed his story" during the litigation.

Wettaw and Holzman have a suit pending before Circuit Judge Fisher over control of Prudence. Judge McKinley, in turning down Wines' petition for liquidation or rehabilitation, stated that with the approval of Judge Fisher both factions agreed that a full board of seven directors will be elected Oct. 10 and that in the meantime there will be no more disputes.

Farmers Mutual Auto Promotions

MADISON, WIS.—Irving J. Maurer, with Farmers Mutual Auto of Madison, since 1929, and previously with Hardware Mutual Casualty, has been appointed assistant secretary of Farmers Mutual Auto. Howard Hayes has been promoted from underwriter to chief underwriter.

Lt. Fred J. Kramer, who was in the accident and health department of U. S. F. & G. at New York and was secretary of the New York Accident & Health Club, has been killed in Normandy, his parents who live at Maspeth, L. I., have been notified. He was with U. S. F. & G. in New York for nine years before entering the service. His is the first death among the 50 U. S. F. & G. men from the New York office who are in uniform.

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TRANSPORTATION INSURANCE—All Risks

The CHARTER OAK FIRE INSURANCE COMPANY
Hartford, Connecticut.

ONE OF THE TRAVELERS COMPANIES

Commissioners Call Two Meetings

(CONTINUED FROM PAGE 3)

help in accelerating the work of our committee," wrote Mr. Graves. "We all agree that the subject matter is of utmost importance to the industry," and he therefore asked "immediate attention."

Meanwhile the eyes of the insurance business are turned to St. Louis this week where the 26 Republican governors are having a meeting. It is likely that the question of insurance regulation will be prominently featured at their discussion.

Dewey-Bricker Statement

Governor Dewey and Governor Bricker in a joint press conference at Albany the other day outlined 15 subjects as a tentative agenda for the St. Louis meeting this week, No. 9 being "insurance regulations of all kinds." It is considered likely that the governors' conference will adopt a definite statement of principle in regard to insurance regulation.

Inclusion of insurance regulation in the agenda of the governors' conference furnishes an additional indication of the possibility that this topic may become an important issue in the coming presidential campaign. The fact that the Democrats, despite strenuous efforts to get an insurance plank included in the platform, decided against it leaves the Republicans a valuable opening if they care to take advantage of it, in the opinion of many.

Governor Dewey has come out unqualifiedly in favor of the continued state regulation of insurance and the plank which the Republican convention adopted on insurance reflects a similar view.

Turkey Coverage Is Real Problem

(CONTINUED FROM PAGE 3)

fowls and decreasing the hazard of storm. Local agents all over the turkey raising area have been pressing their companies to authorize lines on the big ranches. Companies, however, have been very timid about this. One of the features that entered into the negotiations was the fact that if the stock companies would not write this business then the agents would be forced to take a mutual that would accommodate them. This, of course, would be contrary to the agency clearance rule.

At the annual meeting of the Western Underwriters Association a number of members of the American Association of Insurance General Agents were at the

meeting and were very vociferous in their demand that stock companies enter this field. It was suggested that pools be formed but after consideration it was found that the plan did not meet the requirements. Companies would be confronted with tremendous losses right along.

Rate Issue Comes Up

The Farm Insurance Association is now making an intensive study of turkey insurance. It was found, for example, that the main losses come in October, November and December when snow, sleet and cold winds are common. Therefore, in addition to securing safeguards,

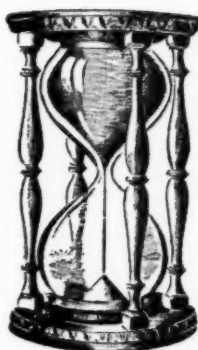
if possible, it may be practical to issue a policy that runs from Jan. 1 to Oct. 1 at a certain rate and then if full coverage during the entire year is desired the rate will have to be loaded for the last three months. It is certain that the companies cannot write the business at the present rates. Turkey losses are not so heavy during the first nine months.

It is hoped that some plan may be worked out whereby these great raisers of turkeys may secure protection. The Farm Insurance Association feels an obligation and responsibility. It recognizes the fact that here is a large industry where protection is needed. The

companies should come to the front in its opinion, if some plan can be worked out whereby they can make some money out of their operations. Its members appreciate the fact that unless private companies can originate a scheme of protection that will cover turkeys the government itself may be obliged to assume the obligation and employ some form of subsidy.

Warren R. Kenshaw, for 25 years superintendent of Automobile and Standard Fire in Boston, has joined Boit, Dalton & Church. He started in insurance with Elmer A. Lord & Co.

Only Change is Certain



You can be sure that the insurance business will be different five years from today. Important changes will be evident among all businesses.

This does not mean "revolution." It simply means that change is certain . . . as it always has been and always will be. It is the American way continuously to seek better ways to do things. In insurance, this will represent a continuous

striving to provide better, stronger coverage at lower cost . . . it will mean new policies to meet changing needs . . . it may mean tremendous development of liability forms. It is the American way to gain business by providing better service to customers. Agents and companies who think and plan in this direction will gain the benefits of change.



The GENERAL OF AMERICA Companies always have and always will recognize the importance of leadership in providing broader coverages at the lowest possible cost commensurate with safety and service. Proof that this principle is sound lies in the fact that the GENERAL has grown in 21 years to one of America's leading insurance organizations. This modern approach to insurance problems is one of the great advantages held by GENERAL Agents.

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EDITORIAL COMMENT

The Flood of Litigation Is Starting

The recent decision of a lower federal court in Idaho, holding the resident agency countersignature and commission law of that state unenforceable as an unreasonable restriction on interstate commerce, is an excellent example of the uncertainties which the United States Supreme Court decision in the Southeastern Underwriters Association case made inevitable. There is nothing final about it, but, until an appeal has gone through the Supreme court, no one in the insurance business will know the status of these laws. And, unless the final decision is an improbable, sweeping aside of all such laws, it is likely that more than one case will be needed for a full clarification of the issues.

Actually, the Idaho law was not a particularly restrictive one. Its only outstanding feature was a high fee for a non-resident broker's license, \$100, but this fee applied to fire insurance only. Otherwise, it provided that all policies except life covering risks within the state must be countersigned by a licensed resident agent, who must be paid at least 5% commission. Supreme Court decisions during the 20 years prior to U. S. vs. S. E. U. A. had clearly established a law of this type as constitutional and enforceable. In other words, whether insurance men liked such a law or not, they at least knew where they stood. Now they do not.

It is interesting and significant that this case was not started by the federal department of justice or by any other outsider. It was simply a suit between a company and an agent, but it would certainly have not arisen had there been no S. E. U. A. case. There is no question of any anti-trust law reaching a state countersignature law—but there is the reasonable question of whether the holding "insurance is commerce" of itself invalidates many such laws. Despite the obvious unwillingness of insurance men to start disobeying state laws right and left, there seems no way in which

the full effect of the S. E. U. A. decision can be determined without many court actions. In other words, much of the old legal structure of insurance regulation has to be reexamined and the Idaho countersignature case is only the first of many.

It is by no means a foregone conclusion that all countersignature laws will be invalidated. The Supreme Court—and it seems almost certain that this case will reach it—may find reasons for holding that the S. E. U. A. case does not knock out this countersignature law. Or it may distinguish between various laws, perhaps drawing a line between single risks owned by non-residents and risks which are part of interstate chains. Any law student knows that the line between proper exercise of state police power and restraint of interstate commerce is a thin one indeed.

If countersignature and commission laws should go or be severely restricted, insurance men will not be unanimously sad. Many have regarded these laws, particularly the more drastic ones, as unfortunate uses of state supervision. More than one far-sighted commissioner has felt them to be part of the big problem of "Balkanizing the United States"—a condition which, before the war, was most manifest in fields such as regulation of interstate trucks, sales and use taxes and attempts to restrict migratory workers. Unquestionably, this problem will be even greater after the war. There was and is a strong feeling that nothing will speed the centralization of power in Washington more surely than abuses of state powers.

But, as far as insurance men are immediately concerned, the fate of countersignature and commission laws is only one detail. The important point is that at present no one knows what a state can do to regulate insurance, that the Idaho case is just the first of cases seeking to find out and that, inevitably, "we shall have more before we have less."

Insurance on Public Buildings

Nearly all agents at one time or another are confronted with public officials raising the question as to whether they should continue their insurance. City, county, state or school officials conclude sometimes that inasmuch as they have not had a loss or they have not had one for some time they can save money and carry their own protection.

Yet when these cases are analyzed

and the experience on public buildings is studied it is found that this argument does not hold water. We have had some instances recently that showed the unfortunate policy of public officials deciding to carry their insurance. They cannot get an average because they have not enough buildings to create such a condition. They are always confronted with a loss of an expensive building and

not having enough money to rebuild.

One of the most recent cases involved the burning of the Dunham elementary school building, Dunham, O., where the upper floor was burned probably through incendiary origin. The loss will probably run to \$150,000 or more. There was only \$50,000 in its insurance fund in which it carried its own insurance. School officials said that the only course

to pursue to secure funds to replace the building was by having a special election to vote on a special bond issue—thus the property owners would be called upon to meet the demand through increased taxes.

Often it has been found that where a special insurance fund was created part or all of it has been shifted to other departments to meet a deficiency.

PERSONAL SIDE OF THE BUSINESS

Due to a sprained ankle, Lt. Carleton G. Morehouse, former head of the insurance department of the First Bank & Trust Company, South Bend, Ind., was confined to bachelor officers' quarters at the time of the Port Chicago explosion instead of being at work aboard one of the ammunition ships which blew up. Nine of his fellow officers aboard the ship died in the blast. As it was, he slid under a table just as the ceiling fell and the walls and windows blew in. Except for a few minor glass cuts, he escaped injury.

Bernard P. Carter, Richmond general agent, who has been ill for a month or more in a hospital there, has recovered sufficiently to return to his home there. His doctor says he ought to be back at his desk in a week or so. Mr. Carter was stricken while in Suffolk, Va. on a business trip and for a time his condition was considered quite serious.

Phillip Sparrow of the tabulating and statistical department of the National Fire group and Vice-president W. W. Corry have been honored on completion of 25 years of service with the company. They become members of the group's 25-Year Associates at the home office, which now includes 100. Mr. Corry was with the National Board, the Arkansas Actuarial Bureau, and served National Fire in the Pennsylvania field for a number of years. He was made vice-president in 1943.

Thomas E. Wood, Cincinnati agent, who is national commandant of the Marine Corps League, is busy with preparations for the annual convention of his organization in Sacramento, Cal., Aug. 30-Sept. 2. He was recently in Washington on Marine Corps League business and while there presented T. Gen. A. A. Vandergrift, commandant of the marines, a life membership in the league.

Maj. Gen. Manton S. Eddy, commander of the 9th division in France is a scion of a famous old insurance family of Chicago. General Eddy has been making history as head of his division. Recently he came into more prominence following the invasion as he had much to do with the felling of Cherbourg. General Eddy received the white flag when the Germans surrendered.

General Eddy is a grandson of the late H. C. Eddy, for many years western manager of Commercial Union. His father was the late George M. Eddy, Sr., who traveled in Indiana and Illinois for Pennsylvania Fire and later became a broker in Chicago. He was one of the founders and the first president of the Insurance Brokers Association of Illinois. George M. Eddy, Jr., a brother, formerly traveled for the

Fire Association in Illinois, then was engaged in a local agency business at Springfield, Ill., and took over his father's business in Chicago at the latter's death. Another brother is W. Sprague Eddy, formerly on the business staff of the "Insurance Field," and now a financial investment man of Chicago, specializing on investments for insurance companies. W. Sprague Eddy recently lost his son in service. General Eddy's aunt was Mrs. Fred H. Sabin, formerly well known in western insurance activities.

H. M. Hare, Columbus, O. manager of Northwestern Mutual Fire, is very ill in a hospital there.

Henry W. Carlisle of Marsh & McLennan in Chicago is still in a very serious condition at the Evanston Hospital, Evanston, Ill., where he has been for some time. He was ailing for about a month before he went to the hospital. Mr. Carlisle is 82 years of age. He has long been a picturesque picture in the Chicago insurance district.

In the last few days Mr. Carlisle has revived his fighting spirit. He has been given the new drug penicillin.

DEATHS

Lieut. Charles Talbot was killed in action at Isigny, Normandy, France. Previous to entering service in 1941, Lieutenant Talbot was employed in the claims department of Fireman's Fund group in Los Angeles.

Henry A. Gother, 71, local agent in Milwaukee since 1921, died at his home following a heart attack.

John H. Pickert, 65, local agent at Berlin, Wis., died at his home after an illness of several months. He was a special agent of Northwestern Mutual Life. In 1939 he formed the Pickert Insurance Agency, succeeding Crawford & Pickert.

Sgt. W. G. Rodger, tail gunner in a B-29 Super-Fortress and son of W. Fred Rodger, broker associated with the John D. Martin & Co. agency, Chicago, was killed in a plane crash in Pabloa Bay, Cal.

W. Sprague Eddy, Jr., of the marine corps, son of the former business representative in Chicago of the "Insurance Field," was killed in action, presumably in the invasion of Saipan. He was a nephew of Maj. Gen. Manton S. Eddy, division commander in the Normandy invasion, and a grandson of the late George Eddy, who for many years was a Chicago broker and was a founder and first president of the Insurance Brokers Association of Illinois. The lad who enlisted at age 17 after attending Shat-



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tuck Military Academy but was not called until he was 18, would have been 19 the day after his parents received notice of his death. Sprague Fddy, Sr., now is an investment salesman in Chicago.

Chester Simmons, 56, for 27 years with the Boston agency of O'Brien, Russell & Co. in charge of fire losses, died at his home in Milton, Mass. He was active in the Insurance Society of Massachusetts. His father, C. L. Simmons, is senior staff adjuster of Home in New York. His daughter Marjorie is with O'Brien, Russell & Co.

Second Lt. Philo R. Pease, 30, former local agent in Painesville, O., was killed in action while serving with the marine corps in the southwest Pacific.

William J. Brown, 40, local agent at Dubuque, Ia., was killed in an automobile accident near Manchester.

Mrs. Stella Blauvelt, who was found strangled in her Los Angeles apartment a few days ago, was the widow of Albert Blauvelt, formerly chief engineer and then associate manager of the old Western Factory Association in Chicago. She was an aunt of Francis and George W. Blossom, Jr., of Fred S. James & Co., Chicago. She had lived in Los Angeles for 12 years, her husband having died in 1918. Mrs. Blauvelt was 64 years of age and was reputed to be quite wealthy. Memorial services were held in Los Angeles and burial will be in New Brunswick, N. J., beside her husband.

Albert Jordan, District of Columbia insurance superintendent, returned from Atlanta this week where his brother, **Howard Y. Jordan**, state agent of Royal-Liverpool, died. Albert Jordan hurried to his brother's bedside upon receipt of word that he was suddenly stricken, shortly after the organization meeting of the new District of Columbia fire rating bureau in Washington last week.

George A. Olson, 59, member of the firm of Keuter-Olson, company adjusters, Chicago, died in the Woodstock Hospital following a stroke. Mr. Olson and P. J. Keuter formed their organization more than 20 years ago. Previously Mr. Olson had been with the Western Adjustment for a number of years. The firm will be continued under its present name by Mr. Keuter.

H. P. Howell, 70, chairman of the Commercial National Bank & Trust Co., New York, and a director and member of the finance committee of Home, died.

R. T. Riley of Winnipeg, founder of two Canadian fire companies, died at the age of 93. Formerly he was president of Canadian Fire and Canadian Indemnity, which he organized, and for over 60 years he took a prominent part in the business growth of Winnipeg. He was born in Yorkshire, Eng., went to Canada when quite young, first in Ontario, then to Winnipeg in 1881.

Mr. Riley was associated with the early builders of Winnipeg and the west, including J. H. Brock, who founded Great-West Life. Mr. Riley was the first vice-president of Great-West, and retained that position at the time of his death. He held policy No. 1 issued by Great-West.

IN U. S. WAR SERVICE

First Lt. John R. Runyan, formerly with American Surety in Oklahoma City and son of M. S. Runyan, Oklahoma City independent adjuster, is now in England. He graduated from officer candidate school at Ft. Benning in July, 1942.

Lt. W. R. Piper, formerly with Dulane, Johnston & Priest, is spending a three weeks leave in Wichita from the European war front, following completion of 77 air missions over the occupied countries from an English base. He is a bombardier and navigator.

L. J. Goulet has been promoted to a major in the army air force. He was formerly production manager of Standard Accident in Detroit and is now sta-

tioned in the Pentagon building in Washington.

Lawrence Edmundson, formerly of Wheeler, Kelly, Hagny, Wichita, now in the navy at Pearl Harbor, made contact there with **Lt. H. J. Schoeppe**, former Commercial Union state agent in Wichita, who is stationed on Oahu Island.

Robert A. Braddock, formerly underwriting manager of R. B. Jones & Sons, Kansas City, who is now a storekeeper, third class, in the navy, has returned from several months' duty in the South

Pacific and is stationed at the naval supply depot, Oakland, Cal.

Maj. John A. Roth, local agent at Cape Girardeau, Mo., has received the Legion of Merit award for outstanding services as group intelligence officer in the Italian theater. His wife, Mrs. Mary R. Roth, is operating the agency at Cape Girardeau, and a brother, Louis L. Roth, is general agent of London Guarantee at St. Louis. During the landing at Salerno he is credited with the adoption of an improved signal pro-

cedure, and on another occasion he landed in Balkan territory to obtain useful information.

A. K. Miller, Jr., formerly assistant casualty manager of Travelers in Des Moines, stationed at Seattle, Wash., is an interviewing and classification officer in the naval training station. He is a lieutenant (j.g.) and previously was stationed at Washington, D. C.

United National Indemnity, casualty affiliate of National of Hartford, has been licensed in Nebraska.

An advertisement similar to this appears in NEWSWEEK



"Pilgrims Going to Church." After the painting by George Henry Boughton.



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When the Pilgrims settled at Plymouth, they relied on their united efforts in a common cause to insure the future of the colony. In the defense of their homes and the preservation of their freedom, it was the responsibility of each to help maintain the security of all.

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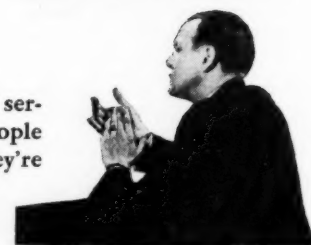
"That's all right for big corporations, but how does it apply to me? My customers know me personally—they know I represent good companies, that our rates are fair, and that we settle losses promptly and fairly. That benefits the public, doesn't it?"



"Yes, but it isn't enough, Bill. Insurance buyers expect good service for their premium dollars as a matter of course. But, if people know that you are doing *more* than you're paid to do, they're bound to think more of you and your agency."



"Well, what else is there I can do?"



"For one thing, you can show that you, and your companies, are just as interested in *preventing* accidents, fires and other forms of loss as in paying for them after the loss has occurred. A little educational work along this line and you will soon make your agency known as *loss prevention headquarters*."



"Bill, take it from me, when people know that you're sincerely helping to prevent accidents and fires, reduce crime and improve the health of your community, they can't help having a higher opinion of your agency—particularly when they realize that a reduction in insurance losses results almost automatically in lower insurance rates—and therefore means a saving in the cost of their insurance protection."

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AETNA CASUALTY & SURETY COMPANY
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The Continental agent or broker in your community represents a company of the strong, capital stock America Fore Insurance and Indemnity Group which has paid out more than a billion dollars in claims since 1853.

Insure through a Continental agent or broker

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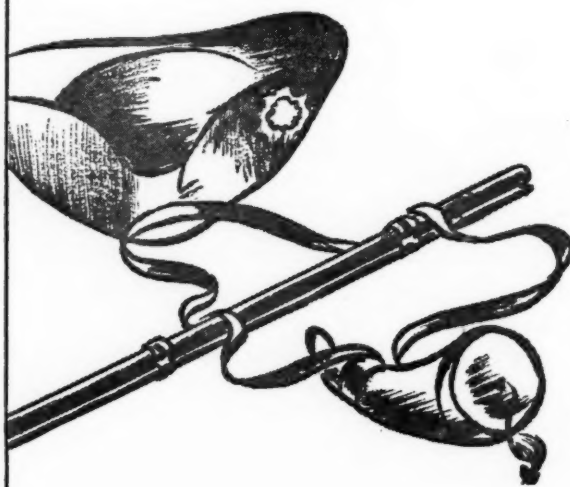
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agents and brokers in the
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Write the Advertising Department, 80 Maiden Lane, New York 8, N. Y.

Fear Dems' Silence on Insurance Is Ominous

Rejection of Plank Indicates Administration May Have Designs

HARTFORD—Company executives of this city give varied conclusions as to the reason the Democratic party omitted entirely from its platform any reference to insurance in view of the fact that the Republican party had adopted an insurance plank and in 1940 the platforms of both parties favored state insurance supervision.

A few men here observed that the action of the Democratic resolutions committee might be called "ominous," as one man put it. He stated that in his opinion the leaders deliberately decided to sidetrack any reference to insurance in order to give the party full swing if it saw fit if victorious at the November election. If no reference was made to insurance it would not be hampered in any way and the administration, therefore, would be able to chart its own course. Some of the officials here say that in their opinion the administration if elected might at once set the machinery in operation for straight out federal supervision and deprive the states of their present powers. Evidently there was something in the minds of the leaders as to why it seemed desirable to have no insurance plank.

Other executives say that the reason probably was chiefly political. Attorney General Biddle was present and he still has the S.E.U.A. case on his hands. The House passed the Walter-Hancock bill exempting insurance companies from federal anti-trust laws and now it goes to the Senate. Senator O'Mahoney of Wyoming is a prominent member of the Senate judiciary committee. Attorney General Biddle may not have desired to have any embarrassing plank. O'Mahoney in the early stages stated that he would not have any objection to the 1940 plank if the word "exclusively" were omitted. That is, he would endorse state supervision but not "exclusive" state supervision. Later in the committee deliberations O'Mahoney seemed to have changed his mind and he is given credit for killing the whole proposition.

Just how far omission of the plank will hurt the party remains to be seen. The opposition would come largely from the insurance people themselves. The Democratic insurance commissioners were very much in favor of a plank. They fear federal supervision and don't want the road leading that way made clear.

Another theory is that the administration went to Chicago with a platform already composed, well integrated, with literary continuity, perhaps written by one man, and resisted every effort to tamper with it on the part of the resolutions committee at the convention.

New Eagle Indem. Setup on Coast

James D. Simpson, who was appointed manager of the San Francisco branch of Eagle Indemnity last week, has been assisting California agents with production and underwriting problems for 20 years, the last several with the Security of Connecticut group. For several years he has been a member of

New Insurance Labor Case to Supreme Court

WASHINGTON—With the Polish National Alliance case finally out of the way, another insurance labor relations case may be considered by the Supreme Court. Northwestern Mutual Fire and Northwest Casualty have filed petition with that court to review decision and order of the ninth circuit court of appeals that the insurers must offer to Raymond J. O'Connell, discharged assistant cashier, reinstatement, and back pay, as previously ordered by the national labor relations board.

NLRB claimed O'Connell had been discharged for union activity; the companies said he committed perjury.

The companies say the question is whether there is undisputed evidence of discharge for good and sufficient reason and no direct evidence of discharge for union activities. NLRB is "legally justified in indulging in an inference" that such discharge was for union activities and, therefore, a violation of the Wagner labor relations act.

Another question raised is whether under that act an employee is "immune from any discipline whatever merely because he has indulged in labor union activities on behalf of a union which appears to have been favored by the Labor Board."

The Seattle companies, in their petition, note that O'Connell testified before the trial examiner of the national labor relations board, April 29, 1942, that he had not furnished a list of employees of the companies with home addresses to a labor union organizer and on the afternoon of the same day again appeared at the examination and stated that he was returning of his own free will to declare that some of the statements that he had made in the morning were not true. He thereupon testified that he had just prior to April 1, 1942, copied a list of the employees with their addresses from the files of the companies and given them to a man for use in mailing a notice of a meeting called for the purpose of organizing a new union. He testified, according to the petition of the companies, that this file of names and addresses was in the mailing department in which he did not work and that he got access to it on a Saturday afternoon when he was supposed to have been working at the counter.

He stated that he had testified differently in the morning because he was "trying to shield an employee." The insurers charge that this was just another false statement, "as he later admitted that this other employee had not helped him compile the list at the office but had helped him get the addresses at the public library."

The next morning O'Connell was discharged by the companies. The petition states that the proper union activities of O'Connell had been very slight and had caused the insurers no annoyance whatever. They declare there was no claim that any other employee had suffered or had been threatened with any detriment on account of any labor activities.

the faculty of Golden Gate College, instructing in insurance courses, and he designed the plan of study for several of them. Mr. Simpson currently is visiting with head office officials of Eagle Indemnity and plans to take up his new duties about Aug. 15.

Operations of the San Francisco branch of Eagle Indemnity have been under the supervision of E. C. Smith, who will henceforth devote himself entirely to management of the branch office of Royal Indemnity.

Traffic Deaths Up 10% in First Half

Mileage Increases: 7,000
Cars Off Road Per Day;
Black Market Gas Used

In the first six months traffic fatalities totaled 10,870, according to the National Safety Council, a 10% increase over the same period a year ago. On this basis the 1944 death total will be about 25,700, compared with 23,400 in 1943.

Part of the increase in traffic accident deaths is due to an upsurge in travel. Traffic mileage was up 6% in the first five months, according to the council. Even so, the increase is surprising in view of the fact that the number of automobiles is dwindling at the rate of 7,000 cars a day. The council concludes that part of the increased death toll is due directly to use of black market gasoline.

The six months figure is, however, 36% below the first half of the pre-war year of 1941. May, 1944, deaths were slightly under May, 1943, thus ending a series of seven consecutive months in which the death total exceeded that of the previous year. The June total of 1,610 was up 3% over June, 1943.

Talk of Cutting Fidelity-Surety Rates 1/3 in N. Y.

NEW YORK—Demands for drastic reductions in fidelity and surety rates for New York are looked for from the New York department by the end of September, if discussions now under way can be taken as an indication. A cut of the order of 33 1/3% is being talked about by department people on the basis of statistical studies covering the fidelity and surety experience. The department has been examining the Towner Rating Bureau for the last year and is now engaged in a similar examination of the Surety Association of America.

Experience has been good on both fidelity and surety and discussion by the department has been along the lines of a flat percentage reduction across the board, even though efforts are made by company people to make sufficient allowance for the long cycle of experience that prevails, particularly with respect to surety business.

Preferred's Air Accident Forms Are Analyzed

NEW YORK—The six aviation accident policies with which Preferred Accident is entering the aviation insurance field, as announced in last week's issue, are the blanket policy or "pay as you travel" plan; the air and land policy, the "Pathfinder" with international rider; the air trip policy offered by airlines and travel agencies; the pilot's policy and the test crew policy.

The blanket policy, regarded as most important in the new series was evolved with three points of primary importance in mind; (1) the insurance must be broad enough to cover all hazards at the lowest possible cost; (2) the contract must be simple and free from restrictive terms and conditions, and (3) it should be so designed as automatically to take care of changing conditions insofar as possible. The blanket policy automatic-

Banks Planning to Finance Planes, Autos After War

American Bankers Association Now Working on Aviation Manual

NEW YORK—The American Bankers Association is working on a manual for the use of bankers wishing to finance installment sales of aircraft, as it is believed that bankers will make a strong bid for this type of business, particularly after the war permits large scale sales to consumers. However, because of the newness of this type of financing and the intricacies involved it will be some time before the manual can be published and at present the ABA has not set even a tentative publication date.

Agents Would Get Insurance

The association has had an automobile financing manual for some time and is putting the final touches on a household appliance manual which it expects to issue late this month. Insurance interest of course centers on the financing of aircraft and automobiles, as the insurance would be written by local agents. Purchasers are not normally required to carry insurance on household appliances but quite a few banks which lend money to appliance dealers to finance their purchases of stock from distributors not only require the dealers to carry insurance but also the bank protects itself with a blanket policy covering its interests. The rate on this is extremely low because of the good loss ratio and because of the bank's insurer's right of subrogation against the dealer's insurer. Some banks feel they are sufficiently protected by the dealer's insurance but many believe that banks should also insure to guard against possible breach of warranty on the dealer's part or his failure to obtain the right kind of insurance or a sufficient amount of coverage.

An important phase of the financing problem that the American Bankers Association is working on and one which should do much to help interest many banks in installment financing is a plan for nation-wide collection service to take care of tracing "skips" or other situations outside the bank's local area of operations. Prospects appear favorable for a plan which will be workable and not burdensome to the bank which acts as the financing bank's agent in such matters.

The American Bankers Association recently sent out a bulletin to member banks telling them of the program that is being developed looking toward post-war financing of installment sales. Responses have shown that there is a keen interest among many banks in getting into this field.

Omaha Dates Approved

C. A. Sholl, president National Association of Accident & Health Underwriters, has given the official approval of the National association to the selection by the Omaha association of Jan. 24-26 as the dates for the winter meeting in Omaha.

ally covers all executives and other employees without being named in the policy or having certificates issued. The specific

(CONTINUED ON LAST PAGE)

Very Remarkable Woman Retires from Business

By C. M. CARTWRIGHT

This is a story of a remarkable insurance woman executive, unique in many ways, who is retiring from business this month after a long period of service. Mrs. Mary K. Gordon has been connected with North American Accident of Chicago since Jan. 16, 1902. She has been continually in its service and for many years head of its claim department. Mrs. Gordon, however, started her insurance career at the head office of the old Metropolitan Accident of Chicago in March, 1886, when A. B. Smith was the general manager.

She was born and reared on a farm. She taught in a country school, took a shorthand course, went to Chicago and got the position. There were four people in the office so she became a general utility employee. She came in contact with claims at that time. Later C. H. Bunker became the head of Metropolitan Accident and A. E. Forrest, who was secretary and manager of North American Accident, had an investment interest in the company and went to its office about every day. John McCauley was manager of Union Mutual Accident. Thomas S. Quincy, famous captain of the Black Horse Troop, had Star Accident, which later was taken over by W. G. Curtis, now president of National Casualty. One of the frequent callers at the Metropolitan Accident office was H. G. B. Alexander, who was then manager of Railway Officials Accident of Indianapolis and who later became head of Continental Casualty.

Born and Reared on a Farm

Mrs. Gordon is instinctively a farm product. She had the advantage of possessing a father who was a rural philosopher. Undoubtedly in her early years she absorbed much of his spirit and teaching. There are many advantages in having been reared in an agricultural atmosphere. Mrs. Gordon early in life appreciated the responsibilities of the farm. Things had to be done. Livestock and fowls had to be looked after. There was an openness in farm life. It gave one a wide perspective. She learned to work. Industry was necessary. In the family life of farmers, there is more discussion around the fireside or at the table on subjects that pertain to the activities of the day. Children learn much from listening to and participating in the conversation.

Mrs. Gordon knew the habits of farmers. She was acquainted with how they did things, how they operated machinery, what they did during the varying seasons. She appreciated also the hazards of the farm. She learned to know the psychology, mental processes of farmers. These lessons were of great advantage to her later in life when she came in contact with claims because at that period the North American Accident was doing quite a large farm and rural business. This was particularly true when it established the monthly payment or industrial department.

Mrs. Gordon studied human anatomy, bodily functions, the effect of various diseases. Secretary Forrest often said that he talked to Mrs. Gordon just as he would to a man. He did not mince words nor gloss his expressions when he spoke of claims that might involve rather delicate phrases. Mrs. Gordon never winced. She had a wholesome viewpoint. She realized that she was dealing with subjects that were often tabooed. She became a profound student of accidents and diseases where insurance tied in.

Mrs. Gordon had a woman's intuition so far as claims were concerned that was keener and more penetrating than could be found in the mind of a man. She may have had that faculty of di-

vining the thoughts of the claimant and could discern when he was feigning, misrepresenting or endeavoring to cloud the issue. Mrs. Gordon, however, found in her experience that most people desired to be honest. The differences arose largely from a misunderstanding of the contract, or probably the sales talk of the agent. Few people deliberately tried to take advantage of the company. It was Mrs. Gordon's aim to get at the facts as soon as she could. Basically the whole issue rested on the contract terms. She wanted to know whether they had been complied



MRS. MARY K. GORDON

with. Then she assembled all the information that had a bearing on the case. She learned from the claimant himself what his position was, what knowledge he had, what attitude he assumed. She wanted to listen to the doctor that had charge of the case. She desired to know what members of the family thought. In other words she got every possible bit of information she could when there was any difference of opinion. Even in case of so-called limited policies Mrs. Gordon asserted there was no more difficulty in settling their claims than others.

Got the Agent's Viewpoint

She always desired to obtain the views of the agent who wrote the case and whose business it was. Perhaps one of Mrs. Gordon's greatest achievements was her faculty of dealing with agents when they were not satisfied that the claimant was being treated justly. It was her province to explain clearly and frankly the position of the company, to show what the contract terms were, to show what the information she had gathered, revealed. In this way she was able to create in the minds of North American Accident agents the idea that she intended to be eminently fair. She hoped the agents themselves when the position of the company was justified might stand for it. Undoubtedly she cleared the way for many amicable settlements that might have been complicated if the agent had taken a stand against the company. She wanted the agent to be convinced himself that everything had been done according to right principles, contract terms and sound business judgment.

President George Manzelmann, whom she interviewed for a position and who worked in her department, has found that the lessons he learned from Mrs. Gordon in dealing with agents have been of great benefit to him. Mr. Manzelmann went with North American in August, 1911, 33 years ago, and Mrs.

Gordon is retiring in August of this year after a period of 43 years.

There is one interesting feature in regard to Mrs. Gordon's work that has had a direct bearing on health and accident contract provisions and practices. She realized that in some ways in early days, in her opinion, some features of the contract were unfair. In settling claims she felt that at times the policyholders were not treated as they should be. Therefore, she would talk this over with the officials and often the contracts were revised.

Mrs. Gordon never approached a claim with any prejudice or preconceived notions. During all her experience she aimed to be eminently fair. She made no special brief for the company if she found the company was wrong. She wanted honest and fair dealing at all times.

Mrs. Gordon found it desirable if she could meet the claimant and talk with him. If not, then she wished to get second hand information that was reliable. She realized that claims were different. Each one varied. In studying a claim that was made by someone in the agricultural district she drew on her knowledge of people as she found them in her girlhood days. Mrs. Gordon said that in her work she found no one particular class of people dishonest. She did not make any conclusions until she had all the facts before her and the picture was plain in her mind. She states that perhaps some people were prone to exaggerate and it was her mission to keep them close to the beaten path.

When she found valuable lessons in her claim work that she felt should be conveyed to the underwriting department she did so as a matter of education. Mrs. Gordon believed that the claim should be adjusted before there was any claim, that is the case should have been written so that there was no misconceptions or false notions in the mind of the policyholder and later the claimant. When lawyers came into a case she had her facts well at hand and orderly classified. She knew her business and the lawyers realized that they were dealing with a master. She told the agents from time to time that when they wrote a policy it should be sold right.

Officials as Her Associates

Associated with Mrs. Gordon in the early days were H. A. Luther, superintendent of agents, who came soon after she did in the company. Edward St. Clair, vice-president and secretary, came in March the same year that Mrs. Gordon went with the company. Frank J. Forrest, brother of Alfred E., was head of the claim department but he moved to Denver soon thereafter.

North American Accident since it was established has always had its head office in the Rookery building at Chicago. Secretary A. E. Forrest was a man of great force, very proud of his physique, a man of superior ability in many ways, resourceful, picturesque. He was many-sided in his nature. Mrs. Gordon knew Mr. Forrest, his eccentricities, his weaknesses and his strong points as much as anyone in the company. He always had great respect for her. Undoubtedly Mrs. Gordon had a splendid influence on Mr. Forrest.

It might seem that a woman at the head of a claim department coming in contact with different people, some endeavoring to take advantage of the company, would develop a cynical disposition. She never did. She always kept an open mind. She likes people, she is a diplomat in dealing with them, she has never lost confidence in the plain folks. Therefore Mrs. Gordon has had a great advantage in her particular line. She never allowed herself to be swayed in any way but the right way. She wanted always to get at the truth.

Mrs. Gordon was not only successful as a professional woman. She was married in 1893. Her husband died in October, 1900. She established her home, she reared two daughters, both now residing at La Jolla, Cal. Ruth Mary is not married and has a gift and book

shop there. Mrs. Dorothy Worrall has two children, a boy and girl, the boy being in service. Mrs. Gordon will go to this beautiful California spot and will reside there, having her own home. She was an ideal mother and home maker.

Perhaps Mrs. Gordon will be remembered in the North American Accident family not so much for her highly intelligent claim work but as a motherly woman who felt a great responsibility especially for the young people in the organization. Mrs. Gordon can well be called the matriarch of the North American Accident head office. Many of the girl employees especially have gone to her and talked over their problems and difficulties with greater confidence and candor than they did with their own mothers. She has a deep feeling of affection for the young folks. She has a sympathetic understanding of what confronts them. President Manzelmann in his early days in the company often consulted her above his love affairs. Mrs. Gordon has employed many of the people now in the North American Accident office. Those that have worked for the company have enshrined her in their hearts. She was never too busy or too tired to listen to any employee who had something on her mind concerning which she wished to discuss. She often was a liaison officer between the management and employees.

Confidence in Mrs. Gordon's Judgment

While Mrs. Gordon did not participate in the health and accident organizations, especially the old Detroit Conference, yet officials had great confidence in her judgment and often consulted her regarding questions that arose in connection with claims. Aside from Mr. Forrest, who was her mentor and guide, she came in contact with C. H. Bunker and Manton Maverick of Metropolitan Accident, H. G. B. Alexander, who later became head of Continental Casualty; J. B. Pitcher, manager of U. S. Health & Accident of Saginaw; W. G. Curtis, now president of National Casualty. Those were interesting days in the health and accident field because the companies were in the making. They had many lessons to learn. It can well be said that Mrs. Gordon contributed much to the clarification, simplification and forthrightness of policy conditions.

Summing up Mrs. Gordon's career we find this very happy combination of traits. She was a successful business woman. She has been a master in claim work. She left a tremendous influence on the employees of North American Accident. She was the mother of the flock. She was just as successful in her own home in rearing her daughters. In all her activities Mrs. Gordon has developed a lovable character and possesses attributes that are friendly, cordial and full of charm. As one who has known her for many years, I salute her with esteem and highest regard.

Next Monday evening at the Union League Club North American will give a dinner for Mrs. Gordon. President Manzelmann will preside. It will be a strictly company gathering with the exception of a few old time insurance friends of Mrs. Gordon.

On Thursday next week employees at the head office will give a tea in their recreation room to honor her.

Continental Casualty Holds Claim Convention

Continental Casualty is holding its 20th annual claim convention at the Drake hotel, Chicago, Thursday and Friday. Speakers on the morning program Thursday, all from the home office, include W. C. Swisher, superintendent of the claim department; H. L. Hart, assistant to the vice-president; M. P. Cornelius, general counsel; Roy Tuchbreiter, president; D. C. Anderson and L. J. Locke. Thursday afternoon speakers are A. R. Peterson of Eckert & Peterson, Chicago; J. Roy Dickie, Pittsburgh; Willard Pottle, Buffalo, and Samuel Sears, Boston. There will be a luncheon and a dinner on Thursday.

COMPANIES

State Farm Forms New Insurer

State Farm Casualty is a new unit in the State Farm group of Bloomington, Ill. It was licensed last Friday. Its initial capital is \$300,000 and net surplus is \$300,000. The other companies in the group are State Farm Mutual Automobile, which last year had more automobile premiums than any other company in the country; State Farm Fire and State Farm Life.

State Farm Mutual Automobile is a composite insurer writing all types of automobile insurance and in certain states where the laws set up rigid underwriting compartments a company insuring automobile physical damage may not insure against bodily injury liability and a company writing B. I. may not insure against automobile fire and theft. Hence State Farm Casualty as a regular stock casualty company will be able to meet the requirements of those states.

Continental Casualty Six Months Record

Underwriting profit of Continental Casualty the first six months was \$1,767,292. Net investment income was \$540,298, producing an operating profit of \$2,307,590 before provision for income and excess profits taxes. Operating profit after taxes was \$1,437,590. Net premium writings for the six months period were \$19,219,503, an increase of \$3,250,390 over the first half of 1943.

Assets were \$57,042,908, an increase of \$3,695,988 since Dec. 31. Capital remained unchanged at \$2,500,000, while surplus increased \$1,171,080 to total of \$13,048,734. In addition, it had a general investment contingency reserve of \$3,000,000, an increase of \$1,000,000, and a general insurance contingency reserve of \$500,000, unchanged.

Borst Named Vice-president of U. S. Casualty

Clarence A. Borst was elected vice-president of United States Casualty by trustees in recognition of his outstanding work as metropolitan New York manager for the last six years. His department has been an important factor in the increasing volume of brokerage business being handled by United States Casualty.

Mr. Borst is in his 20th year with the company and since 1939 has been assistant secretary. He joined the London Guarantee in 1917, then after service in the navy rejoined that company. In 1925 he joined U. S. Casualty.

Central Surety's Half Year

Net premiums written by Central Surety in the first six months aggregated

CASUALTY UNDERWRITERS

Unusual opportunity for experienced plate glass, burglary and boiler underwriter, also for an automobile underwriter; both for counter work with a large agency. Permanent, with excellent post war opportunities. Our employees know about this advertisement. Write full details to W-64, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

MEN WANTED

Man capable of handling home office supervision of automobile bodily injury and property damage claims. State age, family status, education, experience and salary required. Excellent opportunity. Address W-60, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

AVAILABLE

Casualty man with fifteen years experience. Will consider underwriting or field work. Present employer will recommend. Address W-62, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

gated \$2,991,796, compared with \$2,941,744 a year ago. Surplus June 30 was \$3,094,865, up \$83,246 for the first half. Assets were \$11,707,686, up \$96,693 since Dec. 31, 1943. Reserves were \$7,612,821, an increase of \$13,447.

U. S. Liability in Trouble

The certificate of authority of United States Liability of Philadelphia has been suspended by Commissioner Neel of Pennsylvania on the ground that its assets are insufficient to justify its continuance in business. A hearing was conducted before the insurance department

July 26, and the matter was continued until Aug. 8.

U. S. Liability was organized in 1867. It had been a negligible factor in the business and is understood to have specialized in bail bond business. Its 1943 statement is not generally available. As of Dec. 31, 1942, it reported assets of \$413,507, capital \$250,000, net surplus \$21,443, premiums written \$79,533, losses incurred \$2,737, expenses \$55,628. Joseph A. Brady was listed as president.

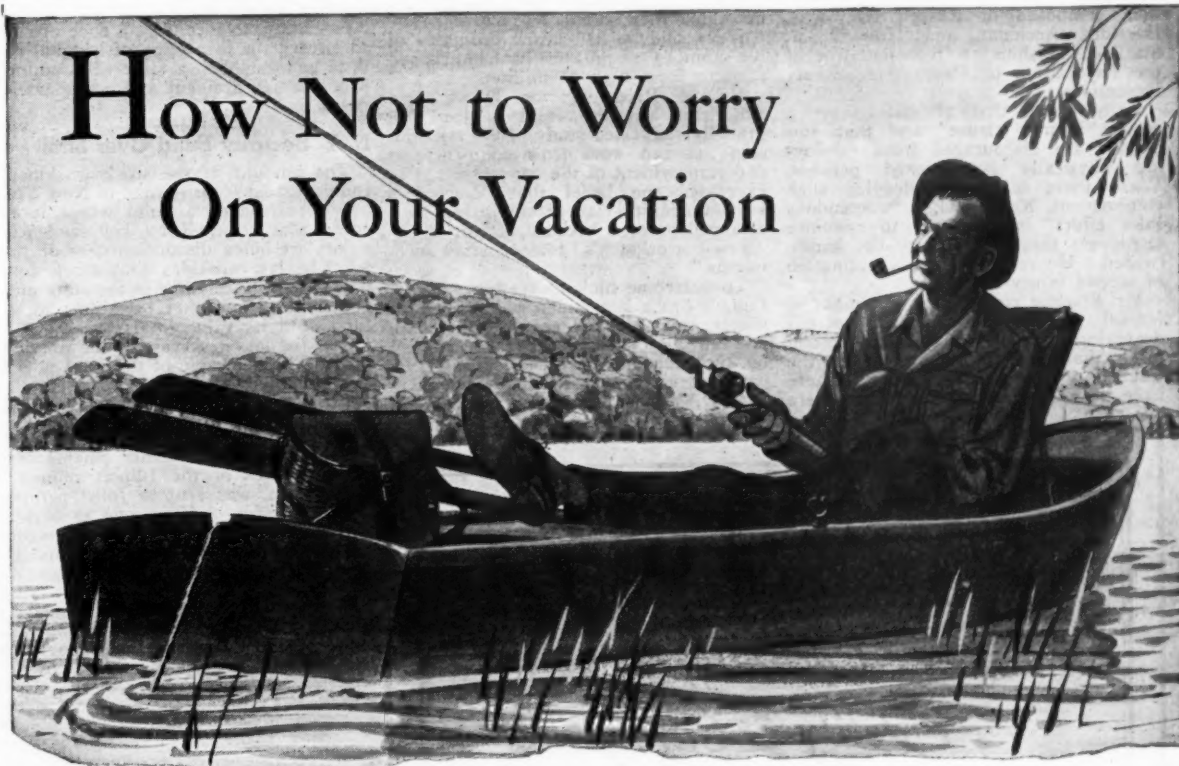
The title of Public Service Mutual Casualty of New York has been changed

to Public Service Mutual.

Buckeye Union Cas. Report

Buckeye Union Casualty assets in the first six months increased \$268,056 to a total of \$4,898,883. Surplus was up \$113,763 to \$1,287,500. Premiums written increased 10.1% to a total of \$1,672,852.

Buckeye Union Fire had assets of \$1,136,949 as of June 30, an increase of \$79,203. Surplus to policyholders was \$539,839, increase \$26,982. Premiums written totaled \$427,946, a gain of \$80,713 over the first half of 1943.



How Not to Worry On Your Vacation

EXPECT to take a vacation this summer? You won't want to take away with you a lot of vexatious worries that might easily be left behind. Your vacation can be spoiled by:

1. Fear of safety of your locked-up house and possible burglary.
2. Broken windows.
3. Water damage and explosion.
4. Aircraft and other vehicles damage.
5. Loss of use of premises.
6. Accidents to persons on premises.
7. Stolen baggage and other property.
8. Personal liability including participation in sports and many other similar hazards.

Obviously, the more precautions you take against the possibility of loss and damage suits, the greater your peace of mind, the more beneficial your vacation, the better that long-needed rest... the happier your family will be too.

By consulting an agent for our Companies or

your own insurance broker about our New Residence Combination Policy you will learn how simply and inexpensively you can enjoy complete year-round protection at home or away. Act now... It's peace-of-mind insurance.

To Producers:

Here is how the American Surety Company and the New York Casualty Company are bringing your story to prospective customers, through business and professional publications.

AMERICAN SURETY COMPANY

HOME OFFICE: 100 Broadway, New York

NEW YORK CASUALTY COMPANY

HOME OFFICE: 100 Broadway, New York

★ While in New York, visit American Surety's Diamond Jubilee Exhibition, 12th floor, 100 Broadway ★

WORKMEN'S COMPENSATION

Second Injury Topic Up in Congress

WASHINGTON — Second injuries came in for discussion at a meeting of the Kelly special House labor subcommittee to investigate the situation as to handicapped persons.

Casualty interests were represented by casualty subcommittee of the District of Columbia Insurance Managers Association, composed of Russell K. Davis, Hartford Accident, and Howard M. Starling, Washington representative of the Association of Casualty & Surety Executives.

Kelly stated that 23 states have a second injury "clause" and that employers are discouraged from employing physically handicapped persons. While there is no law denying such employment, Kelly said, a "tremendous sales effort" is necessary to convince employers they should hire the handicapped. He recommended examination of second injury laws.

Mr. Starling replied that a number of federal government agencies are endeavoring to evolve a standard second injury fund bill for submission to the Council of State Governments. There have been a series of conferences here

on the subject recently. The group is split on how far such a fund should go, he added. His association had brought out a proposed model bill, which was not approved by some government agencies because they think it does not go far enough, he said. Some government people want to include the congenitally insane, tuberculars and others suffering from disease not incurred in industry among the handicapped, who would be affected by a second injury fund bill. His association, however, did not think they should be included.

Kelly said he had heard estimates of the number of physically handicapped ranging from 2 to 25 million.

Millard Rice, director Disabled American Veterans, said he had repeatedly suggested study of the relationship between workmen's compensation and employment of the handicapped. He expressed the belief that "employers have a definite fear of employing handicapped persons because of fear of increased workmen's compensation premiums."

To overcome such a situation, he said, Canada has a law under which the provinces, railroads and certain others are reimbursed for extra expenses incurred on such account and \$900,000 has been paid out since 1921 in that connection. The DAV has proposed a similar bill

in this country, to reimburse insurance companies, etc., on account of additional premiums, but the Veterans Administration has not agreed to it, suggesting that first its probable cost be ascertained.

The Kelly committee has engaged Samuel Barker as special counsel in charge of its investigation.

To Set N. J. Procedure

NEWARK — President David M. Klausner of the New Jersey State Bar Association, has appointed a committee to confer with committees of insurance company representatives, hospital associations and the New Jersey Medical Association, to formulate a code of rules to govern the inspection of hospital records and establish a state-wide uniform procedure in accident and compensation cases.

N. Y. Security Fund Over Limit

The amount in the stock workmen's compensation security fund in New York now has reached a point where it exceeds that required by law, and payments are being discontinued as of July 1. The law provides that stock companies writing this line in the state must contribute 1% of net premiums to the fund until its value totals \$2,300,000 or 5% of the loss reserves for the previous year. The net value of the fund now is approximately \$3 million.

Commission Official in Prison

L. J. O'Connell, former chief securities examiner of the Illinois industrial commission, was sent to Joliet penitentiary to begin serving a one to 15 year sentence for embezzling \$5,000 securities deposited with the commission. He was indicted in May, 1942, after the Republican state administration took over the commission and found a \$54,000 shortage in securities. The state supreme court confirmed his conviction in May.

ACCIDENT

Sentiment Unanimous for Medical Expense Cover

Unanimous opinion in favor of working out a plan or plans for medical expense coverage which may be offered by conference companies was expressed in informal vote taken at a meeting in Chicago Monday, sponsored by the medical expense committee of the Health & Accident Underwriters Conference and attended by about 35 officials of conference companies, with a good representation from all sections. H. E. Currey of Farm Bureau Mutual Automobile, Columbus, O., chairman of that committee, presided.

Efforts which have been made by groups of doctors and others to provide such coverage were reviewed. The experience of some companies which have experimented in that field in a limited way was presented and some of the problems likely to be encountered in writing the business were taken up.

The general sentiment seemed to be that the best approach to the problem is through cooperation with county medical societies. It was stated that doctors generally are very much interested in the idea and under conditions as they exist today are particularly eager for some plan which will help them in getting paid for the work they do.

Commercial Men Meet Sept. 4

The first session of the 1944 meeting of the International Federation of Commercial Travelers Insurance Organizations will be held at the New Ocean House, Swampscott, Mass., Monday morning Sept. 4. The convention will extend over the two following days. There will be no formal program. The time will be spent in discussing problems of the business. R. E. Pratt, Travelers Health, Omaha, is president;

*Accident, Health,
Casualty,
Fidelity & Surety*

ACCIDENT AND CASUALTY INSURANCE COMPANY

of Winterthur, Switzerland

Organized 1875

111 John Street • New York, N. Y.

Ogden Davidson
United States Manager

Charles A. Barkie
U. S. Assistant Manager



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PROTECTION

yet it doesn't cost one penny!

Suppose you had a policy like this to sell — protection for everything you hold dear — your family, home, business, your very way of life.

Protection backed by a company that's been growing and doing business honorably for over a century and a half—a company whose assets total not millions but billions. Premium payments? There aren't any. This all-coverage protection is yours

at no cost. In fact you are paid for carrying it.

Such a policy sounds like a cinch to sell, doesn't it! Funny isn't it then how many of them go begging every day at windows marked U. S. War Bonds!

As men who know the meaning of the word protection, insurance men must surely be in the forefront of U. S. War Bond buyers and boosters.

R. N. CRAWFORD & CO., Inc.

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Headquarters for "OUT-OF-THE ORDINARY" Contracts

John S. Whittemore, Eastern Commercial Travelers, Boston, secretary, and Paul Clement, Minnesota Commercial Men's Association, Minneapolis, chairman of the executive committee.

Fishback Seattle Speaker

H. O. Fishback, Jr., vice-president of Northern Life, who was a delegate to the annual meeting of the National Association of Accident & Health Underwriters, reported on that meeting at a special luncheon gathering of the Seattle Accident & Health Managers Club. Mr. Fishback is a member of the executive board of the national organization.

It was announced that Armand Sommer, Continental Casualty, Chicago, past president of the National association, would visit Seattle in August and it was decided to hold a special meeting in his honor late in the month.

Can Write Hospital Cover

LANSING, MICH.—Companies organized under a special Michigan act permitting them, with capital of only \$25,000, to write accident and health on the monthly premium plan, also may write individual or group hospitalization policies, the attorney general's department holds.

PERSONALS

William Leslie, manager of the National Bureau of Casualty & Surety Underwriters, has been serving on the federal grand jury for the southern district of New York for the past month.

Vernon T. Dow, assistant comptroller of Travelers, has completed 25 years' service with the organization. He joined the company in 1919 as a student employee in the Hartford branch office training school, later was counterman and assistant cashier at Newark, before going to the home office in 1926 as



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must FIT!

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AGGREGATE EXCESS (Stop Loss) • SPECIFIC EXCESS
WORLD-WIDE TRAVEL (Personal Accident) INCLUDING WAR RISKS

KENNETH B. S. ROBERTSON, Ltd., 414 St. James St. W. Montreal, Can.

branch office supervisor. He became assistant chief accountant in 1936 and assistant comptroller in 1939.

George L. Radcliffe, first vice-president of Fidelity & Deposit, is visiting Pacific Coast offices. In Los Angeles he conferred with W. M. Walker, vice-president.

Dr. Herbert T. Weston, 75, of West Hartford died suddenly in his office. Since 1914 he had been in charge of physicians and hospitals liability claims for Aetna Casualty. Before coming to Hartford, he had been with Travelers in Cleveland, and then with the Aetna companies there for about 10 years.

Sanderford with American Ind.

AUSTIN, TEX.—Homer F. Sanderford, for four years supervising examiner for the Texas board of insurance commissioners, has resigned. He has been with the board 11 years under four life insurance commissioners, having started in 1933 under Commissioner Daniel.

Mr. Sanderford will go to Galveston with American Indemnity to assume the duties of the late treasurer, Conover Martin.

M. H. Sorrell, senior examiner for the insurance board, will succeed Mr. Sanderford. He has been an examiner for 12 years.

CHANGES

Preferred's Coast Head Elevated

Cyrus C. Washburn of San Francisco, whose election as resident vice-president of the Pacific Coast department of Preferred Accident was announced in last week's issue, has been the company's Pacific Coast manager for the last six years and is one of the best known casualty men on the coast. This is his 37th year in the business. In 1907 he started in the ticket department of the Traveler's home office and later represented that company for several years.

In September, 1938, Mr. Washburn took over the supervision of Preferred Accident in San Francisco and has done an outstanding job of building good will. He is prominent in local and state or-



C. C. Washburn

ganization work and is chairman of the California committee for the Insurance Economics Society and co-chairman of the speakers' bureau of the National Association of Accident & Health Underwriters. He was recently elected a member of the executive committee of the latter. He also serves as vice-president of the California Association of Accident & Health Insurance Managers Clubs and chairman of the San Francisco Bay Chapter Sierra Club.

Promotions Are Made in Ohio Farm Bureau Units

Filling gaps brought about by a death and a resignation in the ranks of Farm Bureau Mutual Automobile, Farm Bureau Mutual Fire and Farm Bureau Life of Columbus has resulted in several promotions.

Bowman Doss, state agent for Ohio, was elevated to assistant superintendent of agents to fill the vacancy made by the sudden death of A. L. Odebrecht. Howard Hutchinson, state agent for New York, becomes state agent for Ohio. Chester Gay was transferred from Connecticut to New York as state agent. Wes Linthicum, group insurance specialist in the home office, was made state agent for Connecticut. H. P. Dickerson, a district supervisor in Ohio, was given Mr. Linthicum's former position.

W. T. Allnutt, also an assistant superintendent of agents in the home office for several years, resigned to become general manager of a group of cooperative insurance companies in Minnesota and Wisconsin consisting of Cooperators Life, Cooperators Life Mutual, American Farmers Mutual, Cooperative Insurance Mutual, and Central Mutual Fire. The vacancy made by Mr. Allnutt will not be filled at this time.

Allen, Wigert to Mass. Bonding at Kansas City

Will S. Allen has returned to Massachusetts Bonding at Kansas City as special agent and will work on bonding production and underwriting. George C. Wigert has joined the company there and will devote his attention to production and underwriting of larger casualty risks.

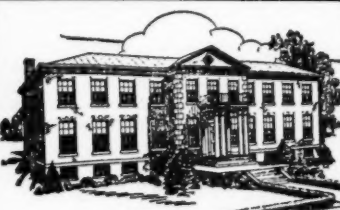
Mr. Allen was special agent for Central Surety six years, part of that time bonding special agent traveling eight midwest states. For 10 years he served as special agent, superintendent of the bonding department and acting manager at Kansas City for Commercial and Metropolitan Casualty companies. He was with Massachusetts Bonding at Kansas City as city special agent and then for three years was Kansas City branch manager of Accident & Casualty.

Mr. Wigert was special agent for Fidelity & Deposit, then Travelers. He was for two years assistant manager of the Travelers Chicago branch. He was Chicago branch manager of National

Union Fire and National Union Indemnity and was in the brokerage business in New York City. He served in the army as captain and major in the field artillery 1939 to 1941 and then was with the U. S. Engineers at Kansas City. For the past year Mr. Wigert was with the U. S. general accounting office as zone insurance examiner for several midwest and southern states.

Ambos Assigned to Chicago

Brooks L. Ambos, underwriter of compensation and liability in the Newark branch of Aetna Casualty, has been assigned in the same capacity to the Chicago branch. He started with Bankers Indemnity in Newark, doing compensation and liability underwriting, and left to join Aetna Casualty there 14½ years ago when American of Newark group acquired Bankers. Mr. Ambos is a native of Chicago but was reared in the east.



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BALTIMORE New Amsterdam CASUALTY COMPANY NEW YORK

INSURANCE NEWS BY SECTIONS

MIDDLE WESTERN STATES

K. C. Meeting on New Policy Forms

KANSAS CITY — The Insurance Agents Association of Kansas City will hold a special meeting on the new standard fire policy, new fire forms and the new farm rates and coverages at 1:30 p. m. Aug. 11 at the Continental hotel. J. C. O'Connor, Chicago, editor "Fire, Casualty & Surety Bulletins" of THE NATIONAL UNDERWRITER, will discuss the new contracts and his talk will be followed by an open forum. Fred Calvin, fire underwriter R. B. Jones & Sons, will take part in the discussion on the new farm rules and forms. A large crowd is expected.

To Award Educational Certificates at Minnesota Agents' Parley, Aug. 24-25

ST. PAUL — Thirteen men and women who completed the full 100 hour educational course of the National Association of Insurance Agents will be awarded certificates at the annual meeting of the Minnesota Association of Insurance Agents Aug. 24-25. George W. Scott, education director National association, will attend the meeting to assist in the presentation.

Orebaugh Ia. Department Counsel

DES MOINES — Sam Orebaugh, attorney, has been appointed counsel for the insurance department. He succeeds Maurice Herrick, who now is in the army. Mr. Orebaugh was a representative in the Iowa legislature. He is a former star athlete at Drake University.

Agents Now Start Taking Minnesota Examination

ST. PAUL — Agents have begun taking the qualifying examinations required by Commissioner Johnson. The first was D. D. Lucier, Minnesota manager of Motors Insurance Corporation. Taking the examination at the same time were three other new agents of that company.

Beginning Aug. 1 the department is also giving the so-called conditional examinations to newly-appointed agents. Under the department's ruling new agents may function 60 days before they are required to take an examination. Old agents have until June 1, 1945, to take the examination and they have shown no hurry to comply.

To facilitate the examination of new agents who have had their 60-day provisional period, the department has divided the state into 36 districts. A convenient, central point in each district has been selected, to which all the provisional agents in that district must go to take the examination on a fixed date. Either a representative of the department will be on hand to give the examination or a monitor will be named to supervise the test. The first of these is scheduled at Mankato this week.

Minn. Ruling on Clerks' Licenses Clarified

ST. PAUL — A ruling of the Minnesota department regarding the licensing of office employees has been clarified by Everett Freeman, deputy commissioner. His original ruling gave the impression

that clerks who wait on customers or take business over the telephone will have to be licensed.

"It appears that many of the activities are mere routine matters which require no special knowledge of insurance and were undoubtedly not contemplated in the agents' license law," his latest statement says. "I refer to collecting premiums over the counter where the customer comes in and the clerk makes out a receipt and where the clerk merely answers telephone calls from customers or fills out an application where a customer comes in and requests a policy."

However, he said, where the clerk actually solicits business or signs a policy in the office with the agent's name, such a clerk would need to be licensed. "This is a delegation of authority which the agent has no right to make under the law," Freeman stated.

Freight Train Wreck on Frisco to Cost \$350,000

The head-on collision of two Frisco Railroad freight trains near Springfield, Mo., will result in loss to the insurers of approximately \$350,000. One train contained several cars of crude oil which burst, ran down the tracks and ignited, setting fire to a number of cars, completely destroying 11. These included a carload of electronic equipment valued at \$209,000; a car of whiskey which caught fire and burned, valued at \$50,000; a carload of cheese, valued at \$13,000, and a carload of radios.

The basic coverage was written in one of the railway groups. More than \$300,000 of the loss will fall on inland marine underwriters who wrote the excess coverage.

Inquiries on Agency Appointment

LINCOLN, NEB. — Insurance Director Fraizer, in answer to inquiries from insurance agents for information regarding Air Underwriters, Inc., which had been incorporated in Omaha to act as brokers and agents, stated that its incorporation "appears to have been under the general corporation laws of Nebraska, and has no relation to the insurance laws as such. The only contact that the Nebraska insurance department has had is the granting of an individual insurance agent's license to Esmond Avery of Omaha, whose application showed him to be president of Aeroservice, Inc., and his license authorized him to write insurance in the Michigan Fire & Marine," Mr. Fraizer stated.

Under Nebraska law, individuals only are authorized to be licensed as insurance agents and brokers.

Launch Lapeer Mutual Probe

LANSING, MICH. — Culminating nearly a decade of constant litigation involving the defunct Lapeer Farmers Mutual Fire, a one-man grand jury investigation of the mutual's affairs and its several receiverships has been started at Lapeer.

The investigation was requested by Attorney General Rushton on the basis of a petition to him by a group of former members of the mutual, who alleged that only an infinitesimal portion of funds collected on assessments ever had reached the creditors.

Farewell Luncheon for Rodger

ST. LOUIS — About 125 insurance executives, agents and brokers attended a farewell luncheon for J. W. Rodger, who retired Monday as manager of the Insurance Board of St. Louis, closing temporarily an insurance career that

dates back 55 years. He had been with the board since 1916. Carl Lawton, president of Lawton-Byrne-Bruner, was toastmaster. Congressman Walter Ploeser of the Ploeser-Watts agency was a speaker.

Wolford Reenters U. S. Service

KANSAS CITY — Glen A. Wolford, who has been special representative of the agency service department of R. B. Jones & Sons, has again entered government service as division insurance examiner of the Ohio river division of the U. S. engineers office, War Department, Columbus, O. Before joining R. B. Jones, he was an examiner for the War Department in the Missouri river division at Omaha.

Survey Minn. Association Members

MINNEAPOLIS — Members of the Minnesota Association of Insurance Agents are being asked to fill out a questionnaire that will aid the association in servicing them. They are asked for data on agency personnel, premium volume, number of dependents and other facts that determine the economic importance of the local agent to his community. The information is being kept strictly confidential.

Mo. Agents to Meet in October

President George D. Clayton, Jr., of the Missouri Association of Insurance Agents, Hannibal, announces that the organization plans to hold its meeting in Jefferson City the first week of October, but that details are not yet definite.

Pugsley Joins Ann Arbor Agency

ANN ARBOR, MICH. — C. J. Pugsley, who has been special agent for Fidelity & Casualty at Flint for the past five years, has joined the Aprill Insurance Agency here as casualty and surety manager. He has been with Fidelity & Casualty for over 18 years, the last 10 in the Michigan field. The Aprill agency

was organized by C. J. Aprill, who still heads it, in 1922.

Now Wright & Risch, Omaha

The title of the Wright & Co. general agency of Omaha has been changed to Wright & Risch, General Agents, consisting of a partnership, Paul M. Wright and Don J. Risch. The general agency was organized in 1939 and has had a successful growth.

Membership Drive in Kansas

Evan Browne, Kansas City, secretary of the Kansas Association of Insurance Agents, has announced a state-wide membership campaign in August and September to precede the annual meeting in Wichita Oct. 18-19.

Champaign, Ill., Outing Sept. 14

The annual insurance men's party given by the Champaign County (Ill.) Association of Insurance Agents will be held Sept. 14. The place will be announced later.

Mattoon, Ill., Elevator Burns

The Big Four grain elevator at Mattoon, Ill., owned by the Cleveland Grain Company, was severely damaged by fire. There was \$33,200 insurance on building, equipment and grain, and the loss is estimated at 60%.

NEWS BRIEFS

J. W. Burden, assistant western manager of Hartford Fire, Chicago, spoke before the Lions Club at Mishawaka, Ind., on the history of fire insurance.

The Wichita Association of Insurance Agents heard a talk by Dale Critzer, cashier of the Fourth National Bank, on "Banking in Wartime."

The Edwin S. Karrer agency of Detroit has moved to new offices in 2877 Penobscot building.

Mishicot Town Mutual, Mishicot, Wis., is expanding its territory to include Manitowoc, Brown, Kewaunee and Calumet counties.

EASTERN STATES ACTIVITIES

Middle Dept. Adopts New Dwelling Form, Cuts Dwelling Rates

PHILADELPHIA — The new broad dwelling and contents form has been put in force in the Middle Department. As has been done in some other states, there are two editions, the full dwelling and contents form, for use where the building is insured, and a dwelling contents form, which contains only the contents items and is to be used to cover household furniture in apartment, hotel and mercantile buildings. All property in the household furniture class is eligible for the new form.

A number of changes in rules and in minimum rates on certain classes have also been published. The new rules are dated July 1, but the effective date has been postponed to Sept. 1. The new dwelling and contents form, however, may be used immediately. Among other changes effective Sept. 1, the minimum premium for each policy has been raised from \$3 to \$5.

\$5 Million Rate Cut

The Middle Department Rating Association is reducing as of Sept. 1, fire rates on residential properties and contents. Commissioner Neel of Pennsylvania states that the reduction may re-

sult in a savings of \$5 million in fire premiums, and that other reductions are expected to follow.

Reductions in premium rates follow a study of premium and loss statistics of recent years by the rating association and will apply to brick and frame dwellings and contents, except farm property; private garages and outbuildings of residential property and contents except motor vehicles; apartment houses (up to 14 family) and contents; small stores in dwellings or apartment houses; boarding and rooming houses; student's fraternity houses and tourist homes with contents, and seasonal summer dwellings and contents.

Reductions on other classes, including churches and schools, commercial establishments and industrial plants are under study, but the study is far from complete. A new method of territorial classification also will be effective Sept. 1, which provides for "more equality of treatment between risks in every section of Pennsylvania."

Tucker Celebrates 30th Anniversary with Travelers

PITTSBURGH — Raymond A. Tucker of Tucker & Johnston is celebrating his 30th anniversary with Travelers and the 20th anniversary of the establishment of his own business.

He started with Travelers in Hartford as a mail boy when he was 16. He later

became confidential clerk to the late Louis F. Butler, president. He served in the air corps in the former war, and then returned to Travelers. After attending training school he became special agent in Syracuse, one of the youngest special agents sent out by the company. He came to Pittsburgh as special agent and then became assistant manager. He resigned in 1924 to start his own business. Tucker & Johnston have one of the five largest Travelers agencies in western Pennsylvania.

Mr. Tucker is a director of the Insurance Club of Pittsburgh and the Pittsburgh Association of Insurance Agents.

Citizens Mutual Absorbed

Citizens Mutual of Concord, Mass., has been reinsured by Middlesex Mutual Fire of Concord. The two companies have been operated in association. Citizens Mutual at Dec. 31, 1943, had assets \$586,900, surplus \$394,578, premiums written \$172,051, losses paid \$55,926, expenses \$64,950.

Middlesex Mutual had assets of

\$3,096,667, surplus \$2,051,811, premiums \$894,369, losses \$304,300, expenses \$335,368.

Need Improved State Laws

Commissioner Neel of Pennsylvania in a talk before the Rotary Club of Pittsburgh discussed the effect of the Supreme Court decision in the S.E.U.A. case. He said insurance commissioners should reexamine the laws of their own states to determine how they can be improved and then use their influence to secure passage of improved legislation.

Little Coverage in Pa. Storm

PITTSBURGH — While property damage was extensive in the recent windstorm that devastated sections of western Pennsylvania and West Virginia, insurance loss was small, according to John M. Thomas, president of National Union Fire. Because no widespread windstorm of tornado velocity had occurred in the affected area, there was little insurance, he said.

IN THE SOUTHERN STATES

Program Set for Ga. Agents Meeting

The program for the annual convention of the Georgia Association of Insurance Agents at Albany Aug. 8-10 has been announced by Lon Sullivan, manager-secretary. The past presidents and executive committee will be guests of the general agents of Atlanta at a dinner Aug. 8.

The executive committee will meet the morning of Aug. 9 in an open session, and that afternoon President W. M. Frambrough of Columbus will formally open the sessions and give his administration report. R. H. Warren, Jr., of the Albany local board will welcome agents and Lon Sullivan will report on finances and membership. Rutherford L. Ellis of Atlanta will discuss "What Does the Public Think of Us?" Manley Stockton, assistant manager Hartford Fire at Atlanta, "Post War Planning, Automobile Insurance," and W. Ray Thomas, Pittsburgh, vice-president of National association, "In Unity and with Determination." Sidney O. Smith of Gainesville, past president of the National association, will introduce a guest speaker yet to be announced.

The annual get-together barbecue will be held that evening.

On the third day Hamilton C. Arnall, Newnan, state national director, will give his report, and Paul Miller, vice-president and treasurer of the Atlantic Steel Co., Atlanta, will speak. A buffet luncheon given agents by Southern Fire & Marine will close the meeting.

Big Attendance at Miss. School

The fire, casualty and surety school sponsored by the Mississippi Association of Insurance Agents at Jackson and supervised by the University of Mississippi was attended by approximately 85

agents with total registration including guests and field men of 135.

E. C. King, Yazoo City, had the highest grade, and was presented a \$50 war bond by O. Shaw Johnson of Clarksdale, immediate past president, on behalf of Federal of the Chubb & Sons group. E. C. Davis, Jr., of Fidelity-Phenix, Jackson, won a \$25 bond for the highest grade among field men.

Hear Congressman in Nashville

NASHVILLE, TENN. — Congressman J. Percy Priest addressed the Nashville Insurance Exchange on the Supreme Court's insurance decision. He said he believes the majority of members of Congress favor continued state control of insurance, but admitted that he did not know what would be the fate of any legislation on the subject when it reaches the White House.

Heavy Loss in Pulaski, Va.

Pulaski, Va., had its worst fire last week in more than 30 years, when flames swept through the Virginia Oak Flooring Company plant, three residences and a church. The loss, partly covered by insurance, was estimated at more than \$150,000.

Thomas to Speak in Alabama

BIRMINGHAM—W. Ray Thomas of Pittsburgh, vice-president National Association of Insurance Agents, will be the principal speaker at the annual convention of the Alabama Association of Insurance Agents in Montgomery Sept. 7. Another speaker will be Manley Stockton, Atlanta, assistant southern manager of Hartford Fire.

Morgan & Hurley agency, Knoxville, Tenn., has been changed to Chas. R.

Morgan Co. C. M. Powell has become manager of the life and disability department.

The Insurance Women of Birmingham are assisting in recruiting WAVES through the local procurement office of

the Navy. War bonds totaling \$36,750 were sold by members during the recent drive.

C. W. Turner, for more than 20 years a local agent in Oklahoma City, has sold his agency to M. L. Sumner because of ill health.

PACIFIC COAST AND MOUNTAIN

New Farm Form Is Now Effective in Washington

A revised, simplified farm policy has been put into effect in Washington effective July 28 by the Washington Surveying & Rating Bureau.

Outstanding feature of the new form is elimination of the mandatory application which heretofore had to be signed by the insured. The application was objected to by agents and field men. The application is discontinued in favor

of a warranty form similar to that used for unprotected dwellings.

The incubator and brooder prohibition warranty has been revised to permit operation of incubators, brooders or heating devices listed by Underwriters Laboratories without attachment of a special permit to the policy, and the rules have been modified to eliminate all charges for approved devices.

A clause which automatically reinstates any loss not exceeding \$250 is incorporated in the new form. There is a conditional vacancy permit providing

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California Association Schedules 1 Day Meet

LOS ANGELES—The California Association of Insurance Agents will hold its 1944 convention here on Oct. 31. The convention will be a one-day affair, due to wartime conditions, and headquarters will be at the Biltmore Hotel.

any dwelling may be vacant or unoccupied (without limit of time) if for the period in excess of 60 consecutive days the premises shall be under supervision of an authorized employee residing thereon. The hay value clause has been dropped. The owner's occupancy warranty is included in the form and has been revised.

Insurance Legion Post Elects

SAN FRANCISCO—Roland M. Kurtz, broker, was elected commander of Insurance Post 404, American Legion, at the annual meeting.

Jacobson Shifted to Portland

G. F. Jacobson, special agent for Hansen & Rowland at Seattle, has been transferred to the Portland office.

No Wyoming Agents' Convention

The Wyoming Association of Insurance Agents has conducted a poll by mail and members have voted against holding the annual convention. The vote was 37 to 23.

Renew Houston Wind Cover

HOUSTON, TEX.—The city council has voted to renew windstorm insurance on all city buildings except the city hall and Jefferson Davis Hospital for three years. The committee which recommended this also recommended that a further study be made with a view to providing more comprehensive windstorm coverage on the buildings now insured and on the city hall.

NEWS BRIEFS

John F. Snapp has resigned his post with Johnson & Higgins in Seattle to reenter the local agency and brokerage field on his own account, with offices in the Securities building.

George W. Wilson, Maryland Casualty, spoke to the San Pedro, Cal., Association of Insurance Agents on "Personal Comprehensive Liability" policy.

The Insurance Women's Association of Colorado Springs held its annual picnic Aug. 1.

C. D. Lewis has opened a local agency in Colorado Springs.

Urges Support of Bailey Bill

(CONTINUED FROM PAGE 5)

take care of the anti-trust angle.

Both Mr. Williams and Mr. Goodwin emphasized that it would be impossible, in view of the magnitude of the prob-

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Hartford Circus Claims Expedited

HARTFORD—While the death toll in the circus fire mounted to 166, a committee appointed by the Hartford County Bar Association continued its efforts to arrange an expeditious settlement of all claims.

The association's executive committee will recommend to all members of the bar that fees for services rendered in establishing claims arising out of the disaster should be "substantially less than those charged in ordinary negligence cases," in view of the tragic circumstances and the desire expressed by many members to conserve the assets, so far as possible, for the benefit of those who have suffered loss.

Lawsuits continued to be filed throughout the week, one of them in federal court in New Haven, the complaint stating that it was taken to federal court because the defendant is situated in a state other than that of the plaintiff's residence.

A special branch office of the circus was opened in Hartford to afford a central place for anyone having business with the circus in connection with the fire.

Announcement was also made last week of a gift of \$10,000 from the circus to the Hartford chapter of the Red Cross, which performed so valiantly at the time of the disaster and in the days that followed.

Named Insured O. K. in Mo.

JEFFERSON CITY, MO.—Superintendent Scheufler has ruled that automobile insurers may write medical payments coverage including the named insured in Missouri. He points out that numerous proposals have been submitted to the department asking the privilege.

I.A.C. Postpones Meeting

NEW YORK—The Insurance Advertising Conference has decided to postpone its annual fall meeting. The executive committee hopes that the meeting can be held early in 1945, possibly in January. The present officers and committees will continue to serve.

lems, to bring in anything like a concrete program of suggestions for legislation by the Aug. 5 date set by the commissioners' committee.

Following the meeting last month of the N.A.I.C. Mr. Williams consulted with the congressional leaders who have been sponsoring the Bailey-Walter bills. He said that he told them of the various suggestions made at Chicago and of other suggestions but that these advisers said it would be a mistake and would hurt the measure's chances to change it in any way. At Commissioner McCormack's request Mr. Williams outlined the more important suggestions that had been made and the reasons why they were not feasible at this point.

Mr. Williams said that one proposal was to amend the bill to exclude the federal trade commission from possible jurisdiction over insurance but that doing so would first probably result in delaying action in the Senate judiciary committee and second, since one of the functions of the commission is to police the anti-trust law, the Bailey-Walter legislation would automatically rule out this function of the F.T.C. Another reason for not including any reference to the F.T.C. is that the latter has the power to investigate unfair practices and opponents of the bill would probably make capital of the fact that insurance companies would be permitted to indulge in unfair practices if they were exempted from the F.T.C.'s jurisdiction.

The F.T.C.'s power to send out questionnaires and make investigations would not be an important factor. In any event, Mr. Williams said, congressional leaders had assured him that the

Bailey-Walter bills made it so clear that Congress was leaving the regulation of insurance in the hands of the states that no federal agency would be likely to try to exercise authority. Furthermore, in the unlikely event that any agency did so, in the face of such clearly expressed congressional intent, Congress would be quick to pass a law taking care of the situation.

Robinson-Patman Law

As far as the possible applicability of the Robinson-Patman law is concerned, Mr. Williams expressed the view that once Congress has spoken and shown that it wants the control of insurance left with the states there would be little likelihood of any attempt to apply this act and anyway Congress would quickly slap down any attempt by an appropriate law.

As to the suggestion that the Bailey-Walter measure be labeled "emergency" legislation or given some sort of time limit, Mr. Williams said that the congressional leaders with whom he talked said that the "emergency" tag would not be helpful and as far as a time limit is concerned, any such qualification, they said, would make it look as if Congress and also the insurance business and the commissioners were not clear in their minds that they wanted state regulation continued permanently.

Time Limit Would Lose Votes

Mr. Williams said that one of the leaders who was most instrumental in getting the Walter bill through the House said that he would not vote for it with any time limit. He and others said it would look as if they were not clear in their own minds as to the principles involved if they passed legislation with a time limit.

Another suggested amendment was to make the exemption from the federal anti-trust laws less sweeping, so that the companies could combine to make rates but could not combine for purposes of boycott and monopoly as

charged—though not proven—in the Atlanta indictment. Mr. Williams said that the Justice Department, after the vote on the Walter bill in the House, had conceded that the insurance business is in difficulty and needs time to work things out but the department wanted to be able to prosecute monopoly and boycott activities. Mr. Williams said that an effort had been made to embody some qualification in the bill so as to take care of this point but it was impossible to do so and in any event it would go against the fundamental principle of the bill, which is to leave insurance regulation to the states. He pointed out that the states have full power to control such things as monopoly and boycott if they are found to exist.

AFFIRMATIVE BILL

One attempt that was made was to draw up an affirmative bill but it was found that it would be almost impossible to list all the various things that the companies would be permitted to do under state law and there loomed the danger that various interests would favor most of the points but be opposed to different ones here and there and the bill would bog down.

Another thought was that some of the opposition could be met by saying in the bill that in spite of the Sherman and Clayton acts insurance companies could determine and maintain rates, forms and covers but the leaders in Congress did not think this was a good plan because it would always leave up to the federal courts the question of what was to be considered going beyond determination and maintenance of rates, forms and covers.

As far as the effect of the bill on the wage and hour law is concerned, Mr. Williams said that the insurance companies' position as a result of the Polish National Alliance case was so clear on



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this point that they would certainly be included even though the Bailey-Walter legislation were passed, hence the latter could not be attacked as seeking exemption from the labor laws.

Answering Commissioner McCormack's question about the bill's effect on the pending prosecution, Mr. Williams said that his committee felt there was no effect and neither did those in Congress who are supporting the measure. However, he said that it seems pretty clear that in view of all the circumstances no penalty would ever be exacted from the defendants in the S.E.U.A. case.

Though he expressed himself as being personally in favor of the Bailey-Walter legislation, McCormack asked about the opposition argument that the insurance companies were asking for exemption from a law that applied generally. He particularly wondered about the charge that the companies are seeking exemption from the law against boycotts, cartels and monopolies.

States Can Handle Boycotts

Mr. Williams said there are three good answers. First, no student of the laws thinks that Congress ever intended the Sherman act to apply to insurance and the best proof of that is that Congress recently passed the District of Columbia rating law, which is very similar to many state rating laws. Second, agreement on rates is not against the public interest but is in the public interest. Also the states can do anything they want about this and in passing the proposed legislation Congress would merely be saying that it is not telling the states what they should do. He cited the position of congressional leaders like Rep. Hatton Summers of Texas, who believes that those activities which are close to home should be regulated by the states. Third, as far as unfair practices are concerned the states have the right to regulate and they are in a position to take care of anything that may come up.

Stressing the need for prompt action on the pending measure, Mr. Williams said that if there is a difference of opinion among those interested it will hurt the chances of the Bailey bill in getting through the Senate whereas if everybody is for one plan it will be a help. He pointed out that the Bailey bill cannot harm anyone and will be of vital aid to the fire and casualty companies in conducting business in the accustomed manner.

WANTS MEMORANDUM

Superintendent Dineen said that while he appreciated what had been said about the magnitude of the problem and the impossibility of bringing in a concrete program within a short time, nevertheless the committee had to make a report and before that it would be hearing from those who felt that a long range program should be adopted at once. He asked that a memorandum be submitted showing specifically why no long range program should be attempted at this time.

"We're going to be asked to urge permanent legislation even though it has to be changed later on," he said. "We have to decide. You should give us something to hang our hats on."

Hearing Dates to Be Decided

Acting Chairman Harrington announced that before any further information is received orally from the stock fire and casualty people there should be submitted advance written material or there will not be enough time to listen to the other groups which are interested in being heard. He said that the dates and places for further hearings will be announced when decided upon but that they will probably be about the middle of August.

Among the company or organization executives present were J. Raymond Berry, general counsel National Board; Ray Murphy, general counsel Association of Casualty & Surety Executives; E. C. Stone, U. S. attorney of Employers Liability; B. M. Culver, president of

the America Fore companies; Ivan Es-cott, vice-president of Home; William Leslie, general manager National Bureau of Casualty & Surety Executives; E. M. Allen, executive vice-president of National Surety; Esmond Ewing, vice-president of Travelers; C. S. Kremer, president of Hartford; J. R. Cooney, president of Firemen's, and A. N. Butler, vice-president of Corroon & Reynolds.

All Floaters Put on Same Basis

(CONTINUED FROM PAGE 5)

that which is included by the legislature within the writing powers of a marine company is purely arbitrary and has nothing to do with what would popularly be thought to be either ocean marine or inland marine risks.

"When it became necessary to cover risks to property while in transit on land those risks were confined to marine companies because it was marine companies as distinguished from fire or life or casualty or surety companies which had theretofore had to do with the carrying of goods and it was natural to enable and permit them to insure goods in transit on land. Hence we have the extensive inland marine business which in large part has nothing to do with carrying by water. It might better be called, as in some phases it now is called, transportation insurance.

"Marine insurance in this state under former insurance law sections 150, subdivision 1 paragraph (A) now insurance law section 46, subdivision 20, paragraph (A) includes, by legislative provision, all personal property floater risks. All of the policies involved herein were written under insurance law section 150 prior to its amendment. They were written under authority granted to Commercial and to the Impleaded companies as companies with fire and marine power and had to be written by the companies which are parties herein under that authority.

"On June 2, 1933, the National Association of Insurance Commissioners adopted a nationwide definition and interpretation of the insuring powers of marine and transportation underwriters. That definition was accepted by the superintendent of insurance of New York by a ruling which officially declared the nationwide definition to constitute a proper interpretation of the provisions of former section 150 of the insurance law which have been carried word for word into the new statute, insofar as applicable here.

Personal Property Floater Risks

"That definition includes under personal property floater risks the following: (P) property in transit to and or from and while waiting for or undergoing processing in bleacheries or fumigatories or on premises of dyesters, throwsters and other similar processors until delivered to storage warehouses of final place of delivery contemplated at the time the shipment was made. Provided, however, that such policies shall not cover bailee's property at his premises. (R) Bailee's customers policies covering personal property of customers. Such policies shall cover in transit and during process at e. g., laundrymen, dyers and cleaners premises, provided however, that such policies shall not cover bailee's property at his premises.

"The policies of the impleaded defendants are of the type defined in subdivision (P) and the policy of Commercial is of the type defined in subdivision (R). None of the policies is specific insurance (as opposed to floating insurance)—each of them could have had an address of a building or premises in it or for that matter several of them. The use of an address did not affect the 'floater' status of any of the policies."

Bert Cotton argued the case for Commercial Union. Attorneys for the nine insurers covering the customers merchandise were J. L. Fletcher, G. I. Janow, and J. M. Aherne. The nine insurers are Sentinel Fire, State of Pennsylvania, North America, American, Continental, American Union, Springfield F. & M., Northern Assurance and Switzerland.

Preferred's Air Accident Forms Are Analyzed

(CONTINUED FROM PAGE 15)

coverages are: All employees, while as aircraft passengers engaged upon the business of the employer, they or any of them boarding, riding in, alighting from or coming in contact with any aircraft or moving aircraft part licensed to carry passengers.

The policy also covers drowning, exposure, starvation and disappearance of the insured employees following any accident or forced landing of aircraft. Additional coverage is also afforded while in or on land or water conveyances provided by a common carrier for passenger service when commencing or completing an intended air trip and can be purchased up to an amount of \$50,000 principal sum for each executive and other employee. The policy will be sold in units of \$5,000 with \$25 weekly indemnity and \$250 medical reimbursement. The medical reimbursement limit is \$2500 and the weekly indemnity limit is \$13,000. The policy covers territorial limits on any regular, special or chartered trips between established airports in or between North, Central and South America, the Bermudas, West Indies and Newfoundland. All the company requires is \$10 minimum premium to place the policy in full force and effect.

The air and land travel policy, which covers individuals on an annual basis, will be sold for a minimum amount of \$10,000 principal sum with \$500 medical reimbursement and up to \$50,000 principal sum with \$2,500 medical reimbursement. This policy covers the insured while riding as a passenger in, alighting from or coming in contact with any aircraft operated by a scheduled airline company on a regular or chartered trip in or between North, Central and South America including Newfoundland, the Bermudas and the West Indies. An additional feature of this policy is that a rider can be attached endorsing the policy to cover the insured while riding as a passenger in any aircraft licensed to carry passengers.

The Preferred's air trip policy which extends coverage to individuals up to \$20,000 is sold by airlines and travel bureaus and the premium is based on a small percentage of the airline fare.

The Pathfinder is a policy covering the usual accidents providing principal sum and weekly indemnity. When the international rider is attached the war and aircraft exclusion clauses and territorial limitations of the policy are modified to afford the insured coverage on an international trip or worldwide basis via land, sea or air. In addition an exposure and disappearance clause is attached to the policy. This policy is sold in units of \$5,000 with \$25 weekly indemnity and may be purchased by individuals up to an amount of \$100,000 principal sum including members of the armed forces but not those engaged in actual combat duty.

A pilot's rider can be attached to the Pathfinder policy affording coverage to pilots engaged in various kinds of flying in different territories. This insurance can be purchased by individual pilots up to a maximum amount of \$50,000 principal sum.

The Preferred has also developed a test crew policy for aircraft manufacturers to cover crew members while testing aircraft.

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Yet Johnny may be closer to home and further from death than he thinks, thanks to the



American Red Cross and the wonderful work it's doing—among the most important, supervising the collection and processing of the blood plasma that may save his life. It only takes us a few minutes to give our blood but it may mean years of life to Johnny—years to fight, to conquer and eventually to live at home. Think of that and make an appointment with your nearest blood donor center. You may be giving years to your Johnny—or the others.

This is the sixth of a series of advertisements dedicated to the American Red Cross by

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